MICROFINANCE BANKS SERVICES AND SALES GROWTH OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES) IN SOUTH-WEST, NIGERIA

[1]Kayode Yunus Adeigbe, Ph.D, [2]Joseph Adegboye Dada, Ph.D, [3]Samuel Olanrewaju Adelowo, Ph.D and [4]Peter Olaseinde Adeusi

[1,2,3,4]Department of Business Administration, College of Management Sciences
Joseph Ayo Babalola University, Ikeji-Arakeji, Osun State, Nigeria.
Corresponding Author Email Address: jadada@jabu.edu.ng

Abstract
This study examined how microfinance banks services affect sales growth of micro, small, and medium-sized enterprises' (MSMEs) in South-West, Nigeria. A proportionate stratified sampling strategy was employed to implement a descriptive research design. The study's sample size of 400 was determined using the Taro Yamane formula. The data was analysed using Statistical Packages for Social Sciences (SPSS) version 26, which was utilized to test the hypothesis using both descriptive and inferential statistics. Findings revealed that all microfinance bank services significantly boost MSMEs' sales growth in South-West, Nigeria. The study came to the conclusion that MSMEs in South-West Nigeria's product development is positively and significantly impacted by the services provided by microfinance banks. The study recommends that microfinance banks should improve on the number of loans/credits granted to MSMEs in order to eventually translate to economic growth.

Keywords: *Micro-savings, micro-credits, micro-insurance, sales growth, micro, small, and medium enterprises (MSMEs)*

Introduction

In order to enable people in both rural and urban areas to purchase and acquire financial knowledge, wealth, and skills, among other things, micro-finance banking institutions play a crucial role in promoting micro, small, and medium-sized enterprises (MSMEs) by offering adequate financial services (Abebe & Kegne, 2023). Business operations will be hampered in the absence of sufficient funding. Therefore, a key instrument in advancing the MSMEs sector of any economy is adequate accessibility to financing and credit facilities. If the bulk of the population is to be bankable, a market niche forced by the current banking model needs to be investigated. According to researchers like Anwar, Hussain, Kamarudin, Sufian, Zainal, and Wong (2021), even in situations where the financial system is functioning and has adequate liquid capital, banks have been extremely hesitant to lend money to MSMEs because they view these businesses as high-risk. Instead of taking the chance of being exposed to preferred sectors of the economy, the majority of banks would choose to pay the fine associated with failing to fulfil the minimum

exposure requirements. As a result, over time, the MSMEs—the economy's growing sector—are constrained by such a circumscribed market.

The relationship between microfinance and income, empowerment, profit, and other factors has been the subject of recent trends in literature (Fithria, Sholihin, Arief, & Anindita, 2021) but few studies made mention of relationship that exists between microfinance banks services and sales growth of MSMEs in South-West, Nigeria. Another academic scholar like Hulme (1997) noted that the relationship between microfinance and sales growth has not received much study. The two primary funding sources for MSMEs in Nigeria are non-banking financial institutions like friends, family, personal savings, and credit and savings cooperative societies, as well as banking financial institutions like development banks, insurance companies, and conventional banks (Babajide, 2012).

Large number of academic research in the field of entrepreneurship, business management, and strategic management have examined the significant roles that MSMEs play in local communities in both developed and developing nations with regard to microfinance banks services and sales growth outcomes. Orichom and Omeke (2021) in Uganda underlined that MFBs lend money to borrowers using capital sources that include both borrowed and personal loans. However, in order for these loans to be profitable and productive, operational risks must be prevented and controlled using a thorough risk mitigation approach that entails risk identification, analysis, control, and management. Additionally, MFBs do pre-disbursement due diligence on potential clients' risk profiles and ability to repay. Prior to disbursement, they also thoroughly approved loans and verified supporting documentation. Similarly, Kumar and Sensarma (2017) and Ambarkhane, Nanda, and Kaur (2020) highlighted that microfinance banking institutions in India have garnered global recognition by asserting that they are crucial tools for reducing poverty, empowering women, enhancing household security, and fostering micro-enterprises.

MSMEs in Nigeria confront difficulties in growing their sales, even in spite of the country's significant economic improvement in several areas (Emmanuel, 2015). Furthermore, MSMEs are just as important and relevant as any other organization because they play a significant role in the Gross Domestic Product (GDP), the creation of jobs, the expansion of infrastructure, and their engagement in socioeconomic development issues like the decrease of poverty, equitable wealth distribution, and economic diversification. The degree to which government initiatives and interventions have impacted these MSMEs' sales growth, however, appears to be little understood. Hence, this study sets out to examine the effect of microfinance banks services on sales growth of MSMEs in South-West, Nigeria.

Statement of the Research Problem

Microfinance banking institutions are a strategy for boosting micro, small, and medium-sized businesses because they provide financial support to those in need, which makes them an instrument for reducing poverty (Nakabugo, Muathe, & Mwasiaji, 2021). The impact of micro-finance banking services (MFBs) on sales growth has been extensively examined, but there isn't much literature on the subject outside of the setting of micro, small, and medium-sized businesses (Chioma, Esther, & Chinelo, 2014; & Umanhonlen, Okoro – Okoru, & Umahonle, 2018). Microfinance banking institutions have historically struggled to raise capital, meet liquidity requirements and re-capitalization bases, execute investment plans and opportunities, mobilize funds, and extend loans to customers (Igbokwe, Elikwu, & Uwaleke, 2018).

The originality of this investigation was required by two issues. Firstly, there is a growing number of MSMEs in South-West, Nigeria that are failing because traditional banks view microbusinesses as low-risk. Secondly, when funding is considered for some MSMEs owners and managers to achieve their pre-determined strategic entrepreneurial growth goals and vision, there are challenges related to high transaction costs and short payback periods. The difficulties of not achieving the desired vision and goals appear to have endangered the sales growth of many MSMEs more than ever before. According to the SMEDAN Report (2017), just 15% of newly founded MSMEs in Nigeria make it through five (5) years. Performance among the remaining 85% of survivors is typically poor for a variety of reasons. Many researches have demonstrated that an organization's management's ability to get the right mix of money determines whether it survives or fails in achieving an increased sales growth (Akinso, 2018; & Jessen, 2019). The relationship that exists between microfinance banks services and sales growth of MSMEs is still not entirely clear, especially when considering MSMEs as businesses with a variety of social and economic goals.

Thus, the goal of this study is to examine how microfinance banks' services have helped MSMEs in South-West Nigeria increase their sales activities. In the same spirit, how, in contrast to earlier research that had regional and continental arrangements, those bank services might be promoted in order to enhance the sales growth of MSMEs enterprises.

Objectives of the Study

(i) Examine the effect of micro-savings on sales growth of MSMEs in South-West, Nigeria;
(ii) Establish the effect of micro-credit on sales growth of MSMEs in South-West, Nigeria; and
(iii) Determine the effect of micro-insurance on sales growth of MSMEs in South-West, Nigeria.

Research Hypotheses

In view of the goals set out above, the dissertation is premised on the following null hypotheses:

(i) H_0: Micro-savings does not significantly affect sales growth of MSMEs in South-West, Nigeria;
(ii) H_0: Micro-credit does not have significant effect on sales growth of MSMEs in South-West, Nigeria; and
(iii) H_0: There is no significant effect of micro-insurance on sales growth of MSMEs in South-West, Nigeria**.**

Therefore, the sections of this paper are divided into introduction, literature review, methodology, results and discussions and conclusion and recommendations.

Literature Review

Concept of Microfinance Banks Services

People use the term "micro-savings" as a microfinance bank service on a daily basis. Alamodode and Adelere (2021) define it as merely setting money away for later use or what is known as postponed expenditure. People with limited assets can save with micro-savings, a microfinance service, since they can contribute to group saves and make weekly savings. The microfinance institutions then use these savings to fund loans to other clients. (Abebe, & Kegne, 2023). According to Chandrarathna and Sumanasiri (2021), micro-savings is a service that provides low-income people with a modest deposit account as a means of encouraging them to save money for later. Komil (2022) defines savings as the total amount of money that individuals have in financial organizations.Thus, micro-savings represent a tiny portion of impoverished people's income that is securely held by financial institutions, namely MFBs. Three further arguments were made by Chandrarathna and Sumanasiri (2021) on the definition of micro-savings. These are the people that save, how much they save, and the organization that gathers their funds. In light of this, micro-savings refer to the tiny sums of money held in specialized institutions by the underprivileged and low-income earners. Minimum balance restrictions are frequently waived or extremely low, allowing customers to make tiny savings without incurring service fees.

According to Sinha and Matin (1998), "microfinance is appropriate where NGOs and microfinance banks (MFBs) supplement the loans with other financial services such as savings, insurance, etc." Micro-credit, on the other hand, refers to modest loans. Since micro-credit entails giving credit to the underprivileged, it might be considered a part of microfinance. Similarly, micro-credit was characterized by Shettima and Babagana (2022) as tiny loans given to low-income people who usually don't have a credit history that can be verified, collateral, or stable work. Another

major obstacle to the impoverished protecting their investments or MSMEs trying to develop and grow their enterprises is access to financing.

Accordingly, Dim, Ezeanokwasa, and Abdulwaris (2023) posit that credit is one of the critical inputs for economic development because it encourages MSMEs to undertake new investments and/or adopt new technologies. Micro-credits are used for working capital in the purchase of raw materials and goods for the micro-enterprise, as capital for construction, or in the purchase of fixed assets that aid in production, among other things. Credit has been considered not only as one of the critical inputs in MSMEs, but also as an effective means of economic transformation and poverty alleviation. Credit influences the performance through sales growth of MSMEs (Kumar, & Nanda, 2023).

The protection of low-income individuals against certain risks in exchange for recurring premium payments based on the probability and expense of the risk involved is known as micro-insurance. With the obvious exception of the target market, which is those with low incomes, this definition is basically the same as one might use for ordinary insurance. Micro-insurance is intended for those who have not had access to suitable goods and have been disregarded by traditional commercial and social insurance programs. Coverage for those employed in the informal economy who lack access to commercial insurance or social protection benefits offered by employers directly or by the government through employers is of particular importance.

Before releasing a new product, Cohen and Sebstad (2006) emphasized the importance of thoroughly examining the insurance needs of clients. This can be done through market research, which looks at the size of the prospective market, particular goods, or client demands. After examining insurance requests from the Philippines, Vietnam, Indonesia, Lao P.D.R., Georgia, Ukraine, Bolivia, Malawi, Uganda, and Malawi, researchers discovered that health and the loss of income workers are the most common hazards. Ito and Kono's (2010) study on health micro-insurance in Karnataka, India, discovered that although microfinance practitioners were enthusiastic about micro-insurance and it was thought to be necessary, take-up rates were low. They discovered some proof that when faced with the possibility of losing money, people act in a risk-loving manner. However, despite these patterns, households' priorities regarding demand for insuring risks are nevertheless context specific in Nigeria.

Concept of Sales Growth

The amount that the average sales volume of a business's goods or services has increased, usually from year to year, is known as sales growth (Ibidunni, 2014; Chawla, Lyngdoh, Guda, & Purani, 2020). The rate at which an organization's sales revenue is rising or falling is gauged by sales growth measures. Any organization

must keep a close eye on this crucial metric since it plays a crucial role in growth projections and strategic decision-making. It is important to track this metric over time to identify patterns in growth and to normalize company values. The sales growth indicator is utilized at the highest level to give executives and sales directors an evaluation of the organization's sales performance. Instead of giving each sales team the broad goal of increasing total sales, the sales growth metric can also be broken down to show how each sales team or sales representative can contribute to achieving organizational goals. This is done by setting achievable, yet challenging, goals that will enable each sales team to effectively contribute to the achievement of business objectives (Ibidunni, 2014; Chawla, *et al*., 2020).

Measuring sales activity in relation to the objectives specified in the sales strategy is known as sales growth. Setting monthly or quarterly performance evaluation targets for each member of your team and yourself is the most basic way to monitor sales performance. Then, by implementing new procedures and sales instruments, one can enhance growth. It is possible to interpret sales growth as the outcome of behaviour that is assessed in terms of how well it contributes to the goals of the business and is dictated by elements that the salesperson has control over. Because the main goal of the sales performance management process is to increase sales, Okolo *et al*. (2022) contended that increasing sales becomes a practice of monitoring and directing staff to improve their abilities to sell goods or services.

Sales growth is the measurement of sales activity against the goals outlined in the sales plan. The simplest method of tracking sales performance is to establish sales goals for your team and for individual team members and then evaluate performance, either monthly or quarterly. One can then improve on growth using new processes and sales tools. Sales growth can be said to signify a result of behaviour which is evaluated in terms of its contribution to the company's objectives and is determined by factors the salesperson can control. Okolo *et al*. (2022) opined that sales growth becomes a practice of monitoring and guiding personnel to improve their abilities to sell products or services because the key objective of the sales performance management process is to educate and motivate salespeople to set goals and satisfy customers. According to Nadube and Gowon (2023), achieving satisfactory sales outcomes is therefore a prerequisite for both the development of businesses and the accomplishment of personal goals by salespeople.

Growth Theory (1939)

This study is underpinned by the growth theory propounded by Harrod (1939) and Dolmar (1946), known as the Harrod Dolmar growth model. The assumption behind this model is that, for a steady state of growth, aggregate demand must grow at the same rate as the economy's output capacity grows. The model has the following implications to this study, first, we see the need for investment, if an entrepreneur

has to grow, and this idea corresponds to the loans and savings given by MFBs to enable more investment by small entrepreneurs. The implication is that, despite the effort made to lend to entrepreneurs, their business prosperity is limited by the country and its global economic performance. As national economic performance grows, MSMEs and members will also perform well because there will be more business opportunities. According to Nadube and Gowon (2023), achieving satisfactory sales outcomes is therefore a prerequisite for both the development of businesses and the accomplishment of personal goals by salespeople.

According to this study, the services provided by microfinance banks such as micro-savings, micro-credit, micro-insurance, training, and other services act as a helpful tool for boosting the MSMEs' or their users' potential for sales growth. There has been much discussion in the literature regarding the role that microfinance banks play in creating sales growth foe MSMEs. Furthermore, Bencivenga and Smith (1991) clarified that the establishment of microfinance banks and effective financial intermediation support rural areas' economic expansion by directing savings toward highly productive ventures and lowering risks that could jeopardize their potential for production. Thus, the provision of microfinance bank services depends on the development in sales of MSMES in South-West Nigeria. This demonstrates how the theory applies to the research. Thus, this research is grounded in:

Empirical Review

The effect of microfinance banks services on sales growth has no doubt attracted considerable research interests. Most researches revealed diverse findings. Abebe, and Kegne (2023) investigated the role of microfinance services on women's entrepreneurship development in Assosa Town. The study employed both descriptive and explanatory designs and a quantitative research approach. The study targeted 352 women clients of Assosa Woreda Microfinance Institution, and 165 samples were selected using a simple random sampling technique. The data were collected through a questionnaire and analysed through the statistical package for social science (SPSS) 26 software. The findings from the descriptive mean analysis indicate that the financial and non-financial services offered by microfinance institutions were unable to significantly empower disadvantaged and poor women by improving their livelihood and the development of their business. The correlation results also indicated positive and significant association between saving practices, access to credit, skill development training, and the development of women entrepreneurs. Finally, the regression result saving and the credit or loan services of the microfinance institution service have the most decisive influence on women's entrepreneurship development.

Fabian, Nzewi, Chinyere, and Nkechi (2023) anchored on market power theory to examine the influence of micro-insurance services on the growth of women entrepreneurs in Onitsha, Anambra State, Nigeria. Using all the population of

registered women entrepreneurs in Onitsha, Anambra State as of January 2021, which was 657. 248 of this population have at least one insurance policy with either a conventional insurance firm or with a micro-insurance industry, a purposive sampling approach was used for the sample size of the study. A questionnaire was used as the only instrument to collect data in the study while regression was used to analyse the formulated hypotheses. The study found that micro-insurance saving, and lending services have a positive and significant effect on women entrepreneurship growth in Onitsha, while micro-insurance management training services has negative and insignificant effect on the growth of women entrepreneurs in Onitsha, Anambra state. The study concluded that micro-insurance services are important determinants of women's entrepreneurship growth in Onitsha, Anambra State, Nigeria. It also recommended among others that micro-insurance sector should be properly publicized through mass education and adopted as a subsidiary by all insurance firms in Nigeria. This would help cover the active poor in society, who are not currently covered by conventional insurance firms, in order to enhance insurance penetration and entrepreneurship growth in Nigeria.

Jalil, Ali, and Ahmed (2022) researched microfinance services and MSMEs growth in Pakistan: The mediating perspective of social and psychological capital. 770 respondents from metropolitan cities in Pakistan were contacted for the survey, and the response rate was 64%. Derived hypotheses were verified through structural equation modelling (SEM) using AMOS 21. The findings revealed that microfinance services have an essential role in promoting MSE growth. Microfinance institutions' services, such as micro-credit, micro-savings, micro-insurance, and training, play an important role in the development of MSEs. It was concluded that social and psychological capital are the crucial factors that partially mediate the relationship between microfinance services and MSE growth in Pakistan.

Udobi-Owoloja, Abu, and Samuel (2022) investigated *the relationship of micro-finance banks' (MFB) credit with the growth of MSMEs in Lagos State, Nigeria. Three hundred copies of structured questionnaires were administered to a purposefully selected sample of MSMEs owners/managers that had accessed loans from MFBs in Lagos State. Two hundred and ninety copies of the research questionnaire were retrieved and analysed with descriptive statistics and Pearson chi-square statistics. The results showed that credit facilities from MFBs were not only positively related to the productivity of MSMEs but also significantly contributed to their expansion. Furthermore, the non-monetary services of MFBs were related to the growth of MSMEs. This study concluded that credit facilities from MFBs were positively related to the growth of MSMEs in Lagos State. The study recommended that funds should be made available to MSMEs at a business-friendly lending interest rate.*

Methodology

Since the descriptive survey approach proved effective in collecting data from a subset of the entire population, it was chosen as the research methodology for this study. Twenty-four (24) microfinance banks in South-West, Nigeria were chosen for this study based on factors such as size, coverage, client base size, and growth in entrepreneurship. Due to their number of transactions, 4 (four) registered microfinance banks who have high numbers of MSMEs as customers were chosen in each state of the South-West, Nigeria for the study in order to assess the performance of their sales growth using the financial services that were provided to them. The study focused on registered MSMEs owners and managers who are microfinance bank customers by using a purposive sampling technique, which was applied to a population of 114,075.

Using the Taro Yamane (1967) formula, a structured questionnaire was used to collect data from these respondents, yielding a sample size of 400. Simple random and stratified sampling techniques were used. Due to the high concentration of MSMEs in these regions, six important states in South-West Nigeria—Lagos, Ogun, Oyo, Osun, Ondo, and Ekiti—were chosen. The respondents were given 400 copies of the questionnaire; 397 of those copies were legitimately returned, and 3 were rejected because they had been filled out incorrectly. Stratified sampling was used to ensure that the owners and managers of MSMEs' manufacturing, trading, and artisan businesses were represented. Publications, textbooks, and secondary papers from online journals were additional sources of information obtained. The respondents' demographic variables were recorded in Section A. The topics of microfinance banks services and product development in MSMEs in South-West, Nigeria were covered in Section B using Five-point Likert Scale in the questionnaire's design.

The data analysis procedure made use of both descriptive and inferential statistics, as well as a tabular presentation. For data analysis, percentages and frequencies were typically used, and Pearson Product Moment Correlation was used to assess the research hypotheses. The Statistical Packages for Social Sciences (SPSS) version 26 simplified data analysis. In the same vein, the face and content validity of the survey were assessed by academic specialists in the fields of strategic management, organizational behaviour, and entrepreneurship at the University's Department of Business Administration. The internal consistency approach was used to evaluate the dependability of the study instrument. Twenty copies of a structured questionnaire were distributed to respondents (MSMEs) in Ilorin, Kwara State, in order to implement this strategy who were chosen at random to determine the pilot testing but were not involved in the primary investigation of this study. Cronbach's Alpha was employed to assess the survey's reliability at 0.86.

Results and Discussion of Findings

Table 1: Demographic Characteristics of the Respondents

Demographic Characteristics	Frequencies	Percentages
Gender		
Male	178	44.8
Female	219	55.2
Total	**397**	**100%**
Age		
1year - 25 years	161	40.6
26 years – 40 years	121	30.5
41 years – 50 years	37	9.3
51 years and above	78	19.6
Total	**397**	**100%**
Marital Status		
Single	174	43.8
Married	161	40.6
Others	62	15.6
Total	**397**	**100%**
Educational Qualification		
SSCE	91	22.9
OND/ NCE	111	28.0
HND/B.SC/B.Ed./B.A	119	30.0
Others	76	19.1
Total	**397**	**100%**
	Work Experience	
Below 6 years	84	29.2
6-10 years	126	43.7
11 -15 years	48	16.7
16 years and above	30	10.4
Total	**397**	**100%**
	Period of Business	
Below 5years	194	48.9
6years – 10 years	143	36.0
Above 10 years	60	15.1
Total	**397**	**100%**
	Types of Business	
Sole Trading	95	23.9
Limited Company	41	10.3
Individuals	261	65.7
Total	**397**	**100%**
	Categories of Business	
Trading	95	23.9
Manufacturing	72	18.1
Artisans	230	57.9
Total	**397**	**100%**

Source: Field Computation (2024)

Interpretation: Table 1 provides a comprehensive overview of the socio-economic information of the respondents in the study. The table indicates that 44.8% of the respondents are male, while 55.2% are female. This distribution provides insight into the gender composition of the study participants. The age distribution reveals that the majority of respondents fall within the age groups of 18 - 25 years (40.6%). This information gives a sense of the age demographics of individuals involved in microfinance and MSMEs in South – West, Nigeria. The educational background of the respondents varies, with the highest percentage having completed HND or BSc (30.0%). This sheds light on the level of education among individuals engaged in MSMEs. The data on marital status indicates that a significant portion of the respondents are either single (43.8%) or married (40.6%). This information is relevant for understanding the personal circumstances of individuals involved in MSMEs. The majority of respondents have been operating their businesses for 5 years and below (48.9%). This insight into the duration of business operations is crucial for assessing the experience levels of MSME owners. The distribution of work experience shows that more than half (55.9%) of the respondents are between the ages of 6 – 10 years. This information provides context regarding the professional background of individuals in the MSME sector. The table categorizes businesses into different types, with individual businesses being the most common (65.7%). This breakdown helps identify the prevalent forms of business structures in the studied population. The categories of business reveal that the largest group is involved in artisan activities (57.9%), followed by trading (23.9%). This information classifies the nature of businesses represented in the study.

H_{01}: There is no significant effect of micro-savings on sales growth of MSMEs in South–West, Nigeria.

Table 2: Regression Analysis for Objective One

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate R	
1	0.564	0.319	0.317	0.37180	
ANOVA					
Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	25.523	1	25.523	184.635	0.000
Residual	54.602	395	0.138		
Total	80.125	396			
Coefficient					
Model		Unstandardized Coefficients B	Standardized Coefficients	t	Sig.
1	(Constant)	1.190		4.992	0.000
	Micro-Savings	0.743	0.564	13.588	0.000

Source: Author's Computation Result (SPSS, 26)

Interpretation: The moderate positive correlation coefficient (R = 0.564) suggests a discernible relationship between micro-savings and sales growth. This indicates that, on average, as micro-savings increase, there is a tendency for improved sales growth among MSMEs in the South–West, Nigeria. Approximately 31.9% of the variability in sales growth is explained by micro-savings, as indicated by the R Square value (0.319). While this is a substantial proportion, it also implies that other factors not considered in the model contribute to the overall sales growth of MSMEs. The statistical significance of the regression model is reinforced by the ANOVA results, where the F-Statistic (184.635) is highly significant (p-value = 0.000). This implies that the model, incorporating micro-savings as a predictor, provides a significantly better fit than a model without it.

The coefficients further emphasize the importance of micro-savings in influencing sales growth. The positive coefficient (0.743) signifies that, for each unit increase in micro-savings, there is an estimated increase in sales growth. The standardized coefficient (Beta = 0.564) provides a standardized measure of this relationship, emphasizing the relative importance of micro-savings in explaining variability in sales growth. Hence, the model is given as; The study found that micro-savings enhance the sales growth of MSMEs in South–West, Nigeria. The positive co-efficient of 0.743 signifies that, for each increase in unit of deposit/savings there will be an estimated increase in sales growth. The standardised co-efficient of 0.564 shows a positive effect of micro-savings on sales growth. This study affirms the position of Zhiri (2017) and Abebe and Kegne (2023).

H_{02}: There is no significant effect of micro-credit on sales growth of MSMEs in South–West, Nigeria.

Table 3: Regression Analysis for Objective Two

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate R	
1	0.563	0.317	0.316	0.37215	
ANOVA					
	Sum of Squares	Df	Mean Square	F	Sig.
Regression	25.421	1	25.421	183.553	0.000
Residual	54.705	395	0.138		
Total	80.125	396			
Coefficient					
Model		Unstandardized Coefficients B	Standardized Coefficients	t	Sig.
1	(Constant)	1.588		7.573	0.000
	Micro-Credit	0.658	0.563	13.548	0.000

Source: Author's Computation Result (SPSS, 26)

Interpretation: The findings from the analysis, as presented in Table 3, provides valuable insights into the nature and significance of this relationship. The correlation coefficient (Pearson's r) of 0.563 in Table 3 indicates a moderate positive correlation between micro-credits and sales growth. This suggests that there is a tendency for businesses to perform better when they make use of micro-credit as facility. The highly significant p-value (0.000) adds robustness to this observation, indicating that this correlation is not likely due to random chance.

The model explains about 31.7% of the variability in sales growth, as indicated by the R Square value (0.317). The adjusted R Square value (0.316) suggests that the model's complexity is justified, considering the number of variables included. The standard error of the estimate (0.37215) provides an average measure of how well the model predicts the actual values. The highly significant F-Statistic (183.553), p-value = 0.000) in Table 3 indicates that the overall model is statistically significant. This implies that the inclusion of micro-credits as a predictor significantly improves the model's ability to explain the variance in sales growth. The constant (intercept) of 1.588 in the table above represents the estimated sales growth when micro-credit is zero.

The coefficient for micro-credit is 0.658, suggesting that, on average; a unit increase in micro-credit is associated with a 0.658 increase in sales growth. The standardized coefficient (Beta) of 0.563 provides a standardized measure of the strength and direction of the relationship. The t-statistic of 13.548 for micro-credit is highly significant (p-value = 0.000), indicating the statistical significance of the variable. The result provides valuable evidence supporting the positive impact of micro-credit on sales growth of MSMEs in South-West, Nigeria. This study affirms the position of Nakabugo, Muathe, and Mwasiaji (2021).

H_{03}: There is no significant effect of micro-insurance on sales growth of MSMEs in South–West, Nigeria.

Table 4: Regression Analysis for Objective Three

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate R	
1	0.490	0.240	0.238	0.39255	
ANOVA					
Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	19.258	1	19.258	129.972	0.000
Residual	60.868	395	0.154		
Total	80.125	396			

Coefficient					
Model		Unstandardized Coefficients B	Standardized Coefficients	t	Sig.
1	(Constant)	2.371		12.881	0.000
	Micro-insurance	0.468	0.490	11.179	0.000

Source: Author's Computation Result (SPSS, 26)

Interpretation: The objective seeks to examine the effect of micro-insurance on sales growth of Micro, Small, and Medium Enterprises (MSMEs) in the South–West, Nigeria. Micro-insurance is tailored for low-income individuals and businesses, offers financial protection against specific risks, enhancing the resilience of enterprises. The positive correlation coefficient suggests a meaningful relationship between micro-insurance and sales growth. The model, as indicated by R-square and adjusted R-square, explains a notable portion of the variability in sales growth. The highly significant F-Statistic supports the overall significance of the model. The positive and significant coefficient for micro-insurance reinforces the alternative hypothesis, indicating that increased utilization positively influences sales growth.

Conclusion and Recommendation

In the test conducted on hypothesis one, findings indicated that 31.9% of the variability in sales growth is explained by micro-savings, as indicated by the R Square value (0.319). The statistical significance of the regression model is reinforced by the ANOVA results, where the F-Statistic (184.635) is highly significant (p-value = 0.000). positive coefficient (R = 0.564) suggests a causal effect of micro-savings on sales growth of MSMEs. This indicates that when owners and managers increase their micro-savings, there is a tendency for improved sales growth among MSMEs in the South–West, Nigeria.

The resultant effect of test of hypothesis two indicated that coefficient for micro-credits of MSMEs in South-West, Nigeria is 0.658, suggesting that, on average; a unit increase in micro-credit is associated with a 0.658 increase in sales growth. The standardized coefficient (Beta) of 0.563 provides a standardized measure of the strength and direction of the relationship. The t-statistic of 13.548 for micro-credit is highly significant (p-value = 0.000), indicating the statistical significance of the variable. This indicated that when owners and managers have access to micro-credits of microfinance banks to boost their sales growth, there is a tendency to meet the needs of their numerous customers.

The resultant effect of micro-insurance as tested in the hypothesis three showed that 46.8% of the variability in sales growth is explained by micro-insurance as indicated

by the R Square value (46.8). The statistical significance of the regression model is reinforced by the ANOVA results, where the F-Statistic (129.972) is highly significant (p-value = 0.000). positive coefficient (R = 0.240) suggests a causal effect of micro-savings on sales growth of MSMEs. This indicated that when owners and managers have access to micro-insurance of microfinance banks to boost their sales growth, there is a tendency to protect MSMEs in South-West, Nigeria against the business environmental forces against their sales growth.

As a result of the findings of the study, we recommend that MSMEs firms should recognise that in order to remain in business and be of good relevance in the market, they need to be entrepreneurial in their approaches in terms of having accessibility to finance. There is a micro-savings financial facility that must be maintained in order to avoid the wrong mixtures of finance and guide their budget effectively. Also, micro-credit is available for use so as to give room for continuous improvement for sales growth, profit maximisation, new product development success and customer satisfaction. The use of micro-insurance affords MSMEs to insure lives and properties against possible damages that can work against their sales growth. It is important for MSMEs to embrace and manage the microfinance banks services in order to achieve their sales growth performance.

CONTRIBUTION TO KNOWLEDGE AND IMPLICATION OF THE STUDY

The study contributed to knowledge in strategic management, organisational behaviour, marketing management and entrepreneurship literature and perspectives on how the effective interaction of microfinance banks services such as micro-savings, micro-credits and micro-insurance can help owners and managers of MSMEs in South-West, Nigeria sustain their sales growth. It was discovered from this study that lack of microfinance banks services can hinder sales growth of MSMEs in South-West, Nigeria.

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