East African Scholars Journal of Economics, Business and Management
Abbreviated Key Title: East African Scholars J Econ Bus Manag
ISSN 2617-4464 (Print) | ISSN 2617-7269 (Online)
Published By East African Scholars Publisher, Kenya

OPEN ACCESS

Volume-3 | Issue-5 | May-2020 | DOI: 10.36349/EASJEBM.2020.v03i05.001

Research Article

Effect of Microfinance Institutions' Services on the Performance of Women-owned Small and Medium Scale Enterprises in Benue State, Nigeria

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Article History
Received: 18.04.2020
Accepted: 09.05.2020
Published: 11.05.2020

Journal homepage:
https://www.easpublisher.com/easjebm

Quick Response Code

Abstract: This study examined the effect of microfinance institutions services on the growth of women-owned Small and Medium scale Enterprises (SMEs) in Benue State. The study focused on the women-owned SMEs in Makurdi metropolis. The specific objectives of the study were to; examine the effect of saving services, loan services and training service of microfinance institutions on the growth of women-owned SMEs in Makurdi metropolis. The survey design was used for this study. A sample size of 214 respondents was derived from a population of 457 women entrepreneurs in Makurdi using Taro Yamene's formula. The study employed questionnaire as the instrument of data collection. Regression analysis was used as a technique of data analysis. Study findings revealed that saving services, loan services and training services of microfinance institutions all significantly affect the growth of women-owned SMEs in Makurdi metropolis in Benue State. The study concluded that there is significant positive effect of microfinance institutions' services on the growth of women-owned SMEs in Benue state. Women entrepreneurs should join more groups so as to benefit from larger loans for business expansion and also learn from one another and reap the overall benefit of synergy.

Keywords: Microfinance institutions, Microfinance institutions saving services, Microfinance institutions loan services, Microfinance institutions training services, Small and Medium Scale Enterprises, Growth of women-owned Small and Medium Scale Enterprises.

INTRODUCTION

Fostering entrepreneurship of women is important for the economic growth of every country, and access to financial services is a critical component in starting and growing a business for women entrepreneurs (World Bank, 2012). This calls for women's economic, social and political empowerment but this can't be achieved without the provision of business finance for the growth and development of women owned enterprises, therefore making the introduction of Micro finance institutions an imperative in order to fill the gap created by the formal financial sector by improving the socio-economic condition of women and their income generational activities (Casmir, 2014).

Microcredit has been identified as an important tool for the poor, including women for the improvement of their socioeconomic status. It provides numerous benefits for beneficiaries such as owners of small and medium scale enterprises for expanding their businesses (Alhassan, 2015). According to Ghadoliya (2000), microcredit plays a crucial role in the socio-economic empowerment of individuals most especially women within households by promoting their participation in decision making at all levels. Similarly Mayoux (2005) posit that, the increase in income of women reduces their vulnerability to domestic violence and also helps them have a better control of their reproductive health.

Lack of access to finance has been identified as one of the major constraints to small business growth across many countries (Carpenter, 2001; Anyawu, 2003; Lawson, 2007). The reason is that provision of financial services is an important means for mobilizing resources for more productive use (Lawson, 2007). The extent to which small enterprises can access fund determines the extent to which small firms can save and accumulate their own capital for further investment (Hossain, 1988), but small business enterprises in Nigeria find it difficult to gain access to formal

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financial institutions such as commercial banks for funds.

The inability of the micro enterprises to meet the conditionalities of the formal financial institutions for loan consideration provided a platform for attempt by informal institutions to fill the gap usually based on informal social networks; this is what gave birth to micro-financing. In many countries, people have relied on the mutually supportive and benefit-sharing nature of the social networking of these sectors for the fulfillment of economic, social and cultural needs and the improvement of quality of life (Portes, 1998).

In Nigeria, one of the greatest obstacles that micro enterprises have is to grapple with access to funds. This is further compounded by the fact that even where credit facilities are available, they may not be able to muster the required collateral to access such. This situation has led invariably to many of them closing shop, resulting in the loss of thousands of unskilled, semi and skilled jobs across the country. Microfinance emerged as a noble substitute for formal credit and an effective and powerful instrument for poverty reduction among people, who are economically active, but financially constrained and vulnerable in various countries. Microfinance covers a broad range of financial services including loans, deposits and payment services and insurance to the poor and low-income households and their micro enterprises. Microfinance institutions have shown a significant contribution towards the poor in rural, semi urban or urban areas for enabling them to raise their income level and living standards in various countries (Sunitha, 2010).

Microfinance Institutions (MFIs) services in Nigeria include loans to customers, acceptance of deposits, payment services, and insurance services. Olowe*etal*. (2013) opined that microfinance institutions have contributed significantly towards the poor in rural, semi-urban and urban dwellers by empowering them through micro credits which have improved their ability and living standard in a number of countries across the globe.

Microfinance Savings service enables people with few assets to save since they can make weekly savings as well as contribute to group savings which are then mobilized by MFIs for further ending to other clients.(Mkpado, 2007). Ishengoma and Kappel (2011) indicate that traditionally, micro-finance mobilization of savings has taken place in the form of compulsory savings under group or individual lending methodologies.

Microfinance loan service is the provision of financial products and services such as credit, insurance, credit cards and payment systems which should not require ongoing subsidies (Mkpado, 2007). This ensures constant working capital availability and better risk management for an enhanced growth. Often a percentage of the loan amount is required as mandatory savings and is meant to guarantee group loan repayment.

Microfinance institutions' training service refers to the provision of investment training especially on how loans should be utilized by women Entrepreneurs. Many studies have shown that MFIs provide training to micro enterprises in order to enhance their knowledge and skills in business and this help in improving their performance (Maleko *et al*., 2013)

According to Marry (2014), the growth of an enterprise is reflected in increased sales, new and improved products, and increase in market share. Ahiabor (2013) asserted that women business performance is measured by increased investment in innovation that enables their businesses to successfully enter into new product market domain and consequently enhance their sales growth.

Like other developing countries, the Nigerian microfinance banks have become institutions for employment generation, resettlement of people who are internally displaced by conflicts/wars, and for providing for those who are disadvantaged/ isolated economically and socio-culturally. This is because most communities in Nigeria who would not have been able to access credits for businesses have been able to do so through microfinance banks' credits scheme with or without collateral. This study is to undertake an assessment of the effect of microfinance institutions' services on performance women owned SMEs in Benue State Nigeria.

Most of the micro enterprises in Nigeria have remained relatively small and seen stunted growth over the years. This is dueto the fact that a large percentage of entrepreneurs in the country remain unsaved by the formal financial institutions. However, although microfinance has proven to be one of the ways of bridging the resource gap created in the Nigerian economy, the country has not enjoyed the full benefits from it. As a result of this, the high rate of failures of micro enterprises has become a matter of major concern in developing economies. Could it be as a result of poor planning and implementation of the policy or misappropriation by micro enterprises? What actually is the problem? The indispensable role of finance to the growth and performance of micro enterprises and the adoption of microfinance as the main source of financing micro enterprises in Nigeria therefore makes it imperative to study the extent to which microfinance can enhance micro enterprises growth and performance.

OBJECTIVES OF THE STUDY

1. The main major of this study is to examine the effect of microfinance institutions' services on the growth of women owned small and medium scale enterprises in Benue State. The specific objectives of the study are to:

2. Examine the effect of microfinance institutions' savings services on the growth of women owned small and medium scale enterprises in Benue State.
3. Assess the effect of microfinance institutions' loan services on the growth of women owned small and medium scale enterprises in Benue State
4. Evaluate the effect of microfinance institutions' training services on the growth of women owned small and medium scale enterprises in Benue State.

Theoretical Framework

This study anchored on three theories: namely, the Resource Based Theory of a Firm's Performance; the Knowledge Based Theory of a Firm's Performance; and the Lean Six Sigma Theory of a Firm's Performance.

The "Resource Based Theory" which advocates for resources that are valuable, rare, hard to copy and non-substitutable necessary to enhance performance and these can be acquired through utilization of the savings, loan and insurance services offered by MFIs; the "Knowledge Based Theory"; whereby the training services offered by MFIs create knowledge which is key in improving the performance of SMEs; the "Six Sigma Theory" which emphasizes on continuous quality improvement, which can be attained through embracing MFIs' training services.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Concept of Microfinance

Microfinance is the provision of financial services adapted to the needs of low income people especially the provision of small loans, acceptance of small savings deposits, and simple payments services needed by micro and small entrepreneurs and other poor people (USAID, 2000). Nyor, *et. al.* (2013) noted that microfinance is about providing financial services to the active poor who are traditionally not served by the conventional financial institutions. The concept of microfinance was perceived as the provision of financial and non-financial services by MFBs/MFIs to low income groups without tangible collateral but whose activities are linked to income-generating ventures (Ledgewood 2000, Christen & Rosenberg 2000).

In general, microfinance has five features that distinguish it from credit supplied by the conventional financial institutions. First, the loan size is small; however, this general feature differs from one country to another and depends upon the differences in the levels of the country's socio-economic development. Secondly, the primary customers of these loans are the people who have little access to conventional banking facilities. Thirdly, the purpose of these loans is to create income-generating activities. Fourthly, tangible collateral is not necessarily required for taking this kind of loan. Finally, this is another aspect of micro credit programme that distinguishes itself from conventional banking. But the microfinance ventures have integrated loaning and savings mobilization functions, in order words, regular savings are a pre-condition for granting loans (Iyoha&Igbatayo, 2008).

Microfinance, with regard to this study, is the practice of offering financial and non-financial services, to entrepreneurs who hitherto cannot access the conventional financial institutions, at a fee that is affordable and economic to the users of such services. Therefore, microfinance is the practice of offering small and short term loans to entrepreneurs who otherwise would not have access to capital to begin small business or other income generating activities.

Microfinance bank, according to the Central Bank of Nigeria (CBN, 2009 & 2012), is a company licensed to carry out the business of providing microfinance services such as savings, loans, insurance, money transfer and other financial services that are needed by the economically poor, micro, small and medium enterprises. Based on their minimum paid up capital, Microfinance banks are categorized into Unit, State and National. Unit Microfinance bank is authorized to operate in one location and it has a minimum paid up capital of N20,000,000.00 (Twenty million Naira). A State Microfinance bank is authorized to operate in one State or the Federal Capital Territory (F.C.T) and has a minimum paid up capital of N100,000,000.00 (One hundred million Naira). A National Microfinance bank is authorized to operate in more than one State including FCT and has a minimum paid up capital of N2,000,000,000 (Two billion Naira).

Microfinance Services

i.Microfinance Saving Services

Saving services are one product offered by MFI. Micro finance institutions have been hailed all over the world as the major contributors of credit finances of initiating and development of SMEs. Nahamya, *et al*. (2013) in a study in Uganda underscored the major role micro finance service delivery play on the growth of SMEs. The study found that the types and flexibility of the saving regime determine the success of many micro finances and their contribution to SMEs performance. Lack of availability of cheap finances from money lenders and stringent conditions have led to many entrepreneurs to seek the services of MFIs.

ii.Microfinance Loan Services

This is perhaps one of the most important roles of Microfinance institutions, as the loans extended are used to expand existing businesses and in some cases to start new ones. According to CBN (2005) microfinance loans granted to clients keeps increasing and most of it goes to financing microenterprises in rural areas. As such it is expected that their growth and performance will increase with the increase in funding. Ketu, (2008) observed that governments usually go into co-operatives to partner with the microfinance banks to raise bulk loans to be disbursed to the beneficiaries, in so doing the banks are increasing and sustaining the number of people going into small businesses.

iii.Microfinance Training Services

Micro finance institutions provide investment training especially on how loans should be utilized by women Entrepreneurs but it is not considered as priority. Many studies have shown that MFIs provide training to micro enterprises in order to enhance their knowledge and skills in business and this help in improving their performance. Most microfinance institutions provide regular training programmes to their clients. Customers of microfinance that undergoes training feel confident and capable in the execution of their daily task and running the business. Micro enterprises in Nigeria have reported better skills development outcomes from training and skills development activities (particularly through participation in knowledge intensive service activities) received from microfinance institutions (Oni, 2012).

Improvement of the condition of micro enterprises through the provision of skills acquisition is another role played by microfinance banks. This is done through building capacities for wealth creation among enterprising poor people and promoting sustainable livelihood by strengthening rural responsive banking methodology and the introduction of simple cost-benefit analysis in the conduct of businesses. In most cases a profit sharing agreement is entered between a bank and an entrepreneur and new methods and innovations are passed to the prospective entrepreneur by the banks professionals, while at the end of the production period the proceed is being shared and the entrepreneur if so wishes can continue on his own after the necessary skills and production techniques are acquired (Umar, 2008).

Growth of Women owned Small and Medium Scale Enterprises

Growth in a broad sense refers to continued and overall improvement in all dimensions of a proposed activity. Akiniyi (2009) found out that there is no single measure of growth. Growth can be measured in many ways such as turnover, profits and number of employees, investment activities, asset base and technology. Growth of an enterprise is also its ability to reach and maintain equilibrium with its environment as per the preset standards of accuracy, completeness, cost and speed.

According to Marry (2014), the growth of an enterprise is reflected in increased sales, new and improved products, and increase in market share. Ahiabor (2013) asserted that women business performance is measured by increased investment in innovation that enables their businesses to successfully enter into new product market domain and consequently enhance their sales growth. The competitiveness literature links advantages of dominance and business ability to compete over time, to their innovation capabilities (Terry, 2012). Bindley and Ritchie Ngehnevu (2010) established that entrepreneurs are concerned with maximizing profits, growth and innovative behavior. Timms (2000) asserts that business growth is a function of owner characteristics and behaviors such as planning and response to the elements in the community and industrial environments. It is further argued that majority of those who pursue new businesses are less likely to change in long term planning, with very few developing business plans beyond the first financial year (Rambo, 2013).

The growth literature is still characterised by a debate as to whether growth is a function of management choices or environmental forces (Cathy, 2003). The assumption in the growth literature is that business growth is the outcome of managerial decisions and actions. The literature reveals that a number of other theoretical perspectives may also have a bearing on the size and growth issues. For instance, some researchers have found out that personal goals appear to have more dominant influence than business goals, when it comes to expansion of women owned businesses (Ochala, 2013).

Isidore-Ekpe (2010) argued that while the use of growth and economic measures is appropriate, given the entrepreneurial stage, the underuse of other business measures such as business performance and organizational effectiveness raises the risk that there are some important insights in the success of a business that owner may be missing. The emphasis on financial outcomes and growth may indicate access to opportunities, suppliers and occupational experience. For the purpose of this study, growth of SMEs will be measured in terms of sales volume and employment generation.

Microfinance Institutions' Services and Growth of SMEs

Ishengoma and Kappel (2011) established that access to safe and flexible savings services can play a critical role in poor people's strategies for minimizing risks, mitigating income fluctuations, facing unexpected expenditures and emergencies, and building a small asset base over time. According to Rambo (2013), availability of safe savings facilities increases self-financing capacity and thus reduces the need to borrow, with its inherent risks.

Saving is thus a less risky way to obtain investment capital than taking on a debt with a fixed repayment obligation (Rajesh &Mahapatra, 2009). Ishengoma and Kappel (2011) indicate that traditionally, micro-finance mobilization of savings has taken place in the form of compulsory savings under group or individual lending methodologies. Possible ways for microfinance institutions to make the service available at lower costs include mobile banking, microfinance officers visiting rural communities on market days, and facilitating groups in collecting and depositing individual voluntary savings (Kalu&Nenbee, 2013). Nanyama (2014) points out that mobilizing savings of small-scale enterprises implies risk and microfinance institutions allowed to do so, should clearly show their capacity to mobilize savings safely.

Oforietal. (2014) analysed the impact of microfinance loans on productivity and growth in Ghana and highlighted that the clients put the MFI loans to good use and clients with a higher number and a higher average size of MFI loans were found to have higher growth rates than other enterprises. A cross sectional analysis of sales revenue showed that MSEs with MFI loans generated higher sales revenue. Kisaka and Mwewa (2014) concur that MSEs make significant growth after accessing loans and recommend that other MSEs should follow suit, if the country is to achieve its vision 2030. Lack of finance is one of the main reasons for MSEs poor performance in most developing countries (Terungwa, 2012).Cooper (2012) established that MSEs largely depend on micro financing for growth.

UWFT (2010) found that majority of MSEs that accessed adequate funds from microfinance institutions increased their volume of sales and consequently, the profits.Lack of access to credit is a major constraint inhibiting the growth of the MSEs sector (Sifunjo*etal*., 2014).Mwobobia (2012) also agrees positive and significant relationships exist between MFIs loans and MSEs performance.

Storey (2013) argues that training services on business skills enhance performance. He concluded that the most important factors of business success among entrepreneurs were: a successful record of previous work history; strong analytical skills acquired in a broad humanistic education; early investment in personal reputation and broad biographical experience outside the narrow field of the profession; early socialization experiences functioning as biographical resources in the discovery of successful business ideas; and a training on how to communicate effectively with customers in an increasingly global and knowledge - based economy.

Kisaka and Mwewa (2014) established that training programs help in decreasing the level of SME mortality and increasing efficiency. Osoro and Muturi (2014) agree that training offered by MFIs to SMEs is important for the successful performance of these enterprises. The study divides factors affecting the performance of a business into two categories: (a) management competence and (b) environmental factors. Management competence encompasses functional knowledge, management skills and managerial behaviour. Thus, training of competencies such as marketing, financial control and networking among others (Kisaka&Mwewa, 2014). Njoroge*etal*. (2013) recon that the quality of goods and services produced without training is much lower than those produced where there is training.

From the foregoing the study puts forward the following null hypotheses:

Ho₁: *Microfinance institutions' saving services have no significant effect on the growth of women owned small and medium scale enterprises in Benue State.*

Ho₂: *Microfinance institutions' loan services have no significant effect on the growth of women owned small and medium scale enterprises in Benue State.*

Ho₃: *Microfinance institutions' training services have no significant effect on the growth of women owned small and medium scale enterprises in Benue State.*

METHODOLOGY

The study adopted a survey research design to determine the effect of microfinance institutions' services on growth of women owned SMEs in Makurdi Metropolis. The target population for this study consisted of female owners of SMEs in Makurdi metropolis. According to records at the Benue State Ministry of Commerce, Trade and Investment, and crosschecked at the Headquarters of Benue Internal Revenue Service, there are 457 registered women owners of SMEs in Makurdi metropolis. A sample size of 214respondents was obtained using Tara Yamene's formula. The data collection instrument for the study was a self-designed questionnaire which comprised of two parts to assess the main variables for thestudy. The instrumentmeasuredmicrofinance institutions' services (saving service, loan service and training service) and growth of women owned SMEs (sales volume and employment generation). The items were asked on a four-point Likert scale as follows: Strongly Disagree (1), Disagree (2), Agree (3) and Strongly Agree (4). A validity and reliability test was carried out on 153women entrepreneurs and through Cronbach's alpha, the overall reliability co-efficient of 0.872 was obtained. The instrument was therefore considered consistent to be used in this study. 214 questionnaires were issued out to respondents, but only 201 were retrieved, out of which 21 were wrongly filled leaving the researcher with 180 questionnaires to analyze.Multiple regression analysis was used in testing the data gathered from this study. The hypotheses were tested at 0.05 level of significance. Analysis was done with the aid of Statistical Package for Social Sciences (SPSS 21).

Variables/Model Specification

The study is put two variables under review; Microfinance institutions services (the independent variable) and performance of women-owned SMEs (the dependent variable). The independent variable as used in this study is treated as, microfinance institutionssavings service, microfinance institutions loan service and microfinance institutions training service.The regression model for this study posits that performance of women-owned SMEs is a function of microfinance institutions services. In this vein, this study suggests that,

PWOSMEs = f (MFIS) -------------------------- (i)

Where;

PWOSMEs= Performance of Women-owned SMEs

MFIS= Microfinance Institutions Services

Given that microfinance institutions services comprise three dimensions, the implicit form of the model is given as follows:

PWOSMEs = f (Mfiss, Mfils, Mfits) ---------------- (ii)

Where:

Mfiss= Microfinance institutions savings service;
Mfils= microfinance institutions loan service; and
Mfits= microfinance institutions training service.

Thus, the explicit form of the model for the study will be as follows:

PWOSMEs = α +b_1Mfiss+ b_2 Mfils+ b_3Mfits+ ε---- (iii)

Where:

α = Intercept of the Model (constant)
$b_1$to b_3 = coefficients of Mfiss, Mfils and Mfitsrespectively
ε = error term

Other variables are as earlier defined.

RESULTS

Regression analysis was used to test the extent to which microfinance institutions services affect performance of women-owned SMEs in Makurdi metropolis. The result is presented below in three tables; model summary, analysis of variance and regression coefficients.

Model Summaryb

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.819[a]	.575	.549	4.466	1.595

a. Predictors: (Constant), Savings service, Loan service, Training service
b. Dependent Variable: Growth of Women Owned SMEs

Source: Field Survey, 2020.

The result from Table 1 shows that coefficient of determination (R square) explains the variations in the dependent variable due to changes in the independent variable. The R square value of .575 is an indication that there was variation of 57.5% in growth of women owned small and medium scale enterprises in Benue State due to changes in microfinance institutions' savings service, microfinance institutions' loan service and microfinance institutions' training service at 95% confidence interval. Also, the value of R (.819) from Table 1 shows that there was a strong relationship between the study variables.

Table 2: Analysis of Variance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4.424	3	1.475	6.800	.000[b]
	Residual	20.816	176	.217		
	Total	25.240	179			

a. Dependent Variable: Growth of Women Owned SMEs
b. Predictors: (Constant), Savings service, Loan service, Training service

Source: Field Survey, 2020.

The result from the ANOVA statistics in Table 2 indicates that the processed data, which is the population parameters, had a significance level of .000 which shows that the data is ideal for making a conclusion on the population's parameter as the value of significance (p-value) is less than 5%. This implies that savings service, loan service and training service significantly affects the growth of women owned small and medium scale enterprises in Benue State The significance value was less than 0.05 which indicates that the model was statistically significant (F =6.800, P = .000 < 0.05).

Table 3: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.491	.531		4.688	.000
	Savings service,	.173	.97	.170	1.785	.037
	Loan service,	.135	.063	.201	2.122	.036
	Training service	.181	.067	.255	2.700	.008

a. Dependent Variable: Growth of Women Owned SMEs

Source: Field Survey, 2020.

From the data in the Table 3 the established regression equation is presented thus:

Growth of Women Owned SMEs = 2.491 + .173(savings service) + .135(loan service) + .181 (training service). The regression equation above revealed that, a unit increase in microfinance institutions' savings service value would increase growth of women owned small and medium scale enterprises in Benue State by 17.3%, a unit increase in microfinance institutions' loan service would affect growth of women owned small and medium scale enterprises in Benue State by 13.5% and a unit increase in microfinance institutions' training service would affect growth of women owned small and medium scale enterprises in Benue State by 18.1%. The study also found that the p-values for microfinance institutions' savings service, microfinance institutions' loan service and microfinance institutions' training service (.037, .036, .008) respectively were less than 0.05 which is an indication that each variable has a positive effect on growth of women owned small and medium scale enterprises in Benue State.

TEST OF HYPOTHESES

Ho$_1$*: Microfinance institutions' saving services have no significant effect on the growth of women owned small and medium scale enterprises in Benue State.*

To test this hypothesis, the strength of the effect of microfinance institutions' service on growth of women owned small and medium scale enterprises in Benue State was measured by the calculated p-value = .037 at a significance level (α) of 0.05. Since the computed p-value is less than the significance level (α) of 0.05 (*p-value* .037 < 0.05), the null hypothesis was rejected. It is therefore concluded that microfinance institutions' saving services have significant effect on the growth of women owned small and medium scale enterprises in Benue State.

Ho$_2$*: Microfinance institutions' loan services have no significant effect on the growth of women owned small and medium scale enterprises in Benue State.*

To test this hypothesis, the strength of the effect of microfinance institutions' loan service ongrowth of women owned small and medium scale enterprises in Benue State was measured by the calculated p-value = .036 at a significance level (α) of 0.05. Since the computed p-value is less than the significance level (α) of 0.05 (*p-value* .036 < 0.05), the null hypothesis was rejected. It is therefore concluded that microfinance institutions' loan services have no significant effect on the growth of women owned small and medium scale enterprises in Benue State.

Ho$_3$*: Microfinance institutions' training service has no significant effect on the growth of women owned small and medium scale enterprises in Benue State.*

To test this hypothesis, the strength of the effect of microfinance institutions' training service on growth of women owned small and medium scale enterprises in Benue State was measured by the calculated p-value = .008 at a significance level (α) of 0.05. Since the computed p-value is less than the significance level (α) of 0.05 (*p-value* .008 < 0.05), the null hypothesis was rejected. It is therefore concluded that microfinance institutions' training services have no significant effect on the growth of women owned small and medium scale enterprises in Benue State.

DISCUSSION OF FINDINGS

The findings of the study revealed that microfinance institutions' services significantly affect growth of women owned small and medium scale enterprises in Benue State. The major findings of the study were presented according to the objectives of the study as follows:

The result of data collected and the analysis carried out revealed that microfinance institutions' savings service has significant effect on growth of women owned small and medium scale enterprises in Benue State. Regression analysis was used to test the hypothesis at 5 % level of significance and the p-value (0.037) was lower than the significance level. This can be statistically given as P-value 0.037< α = 0.05. This result in agreement with Rajesh &Mahapatra (2009) who found that the existence of safe and accessible savings services for micro and small size enterprises have the strongest impact on the performance of SMEs. The implication of this to women who intends to be successful entrepreneurs is that embracing saving culture will reduce adverse effect of borrowing on their business.

The findings of the study on hypothesis two indicated that microfinance institutions' loan service has significant effect on growth of women owned small and medium scale enterprises in Benue State. Regression analysis was used to test the hypothesis at 5 % level of significance and the p-value (0.036) was lower than the significance level. This can be statistically given as P-value 0.036 < α = 0.05. The finding of this study is in line with previous study by Kairaria (2014) which found that most SMEs borrow investment capital, and that loan had the largest significant effect on the financial performance of micro and small enterprises. The finding is also in agreement with Ofori*etal*. (2014) who analyzed the impact of microfinance loans on productivity and growth and found that SMEs with MFI loans generated higher sales revenue and Mwobobia (2012) who found positive and significant relationships existing between MFIs loans and SMEs performance. This implies that to expand sales volume, women entrepreneurs could resort to microfinance loans.

Finally, finding form hypothesis three indicated that microfinance institutions' training service significantly affects growth of women owned small and medium scale enterprises in Benue State. Regression analysis was used to test the hypothesis at 5 % level of significance and the p-value (0.008) was lower than the significance level. This can be statistically given as P-value 0.008 < α = 0.05. This finding is consistent with Osoro and Muturi (2014) who found that training offered by MFIs to SMEs is important for the successful performance of these enterprises. The finding also agrees with Storey (2013) who found that training services on business skills enhance performance. This implies that the quality of goods and services produced without training could be much lower than those produced where there is training.

CONCLUSION AND RECOMMENDATIONS

Microfinance institutions' services has been found to have the potential of changing the lives of the poor most especially women by enhancing the performance and growth of their enterprises. Having examined the effects of microfinance institutions' services on growth of women owned SMEs in Benue State.The study concludes that there is significant positive effect of microfinance institutions on growth of women-owned businesses in terms of sales volume and number of employees engaged. This implies that in order to sustain microfinance institutions' service impact on women entrepreneurs, there is the need for the microfinance institutions to review their interest rates, loan repayment schedules and the loan amounts offered SMES so as to enhance the performance and financial sustainability of the enterprises. Arising from the findings, we made the following recommendations

a) Saving was found to be a guarantee for loan repayment. It is therefore recommended that women SME owners join more groups so as to benefit from larger loans for business expansion and also learn from one another and reap the overall benefit of group synergy.
b) This study recommends that borrowers be trained on loam management and alternative collaterals be made acceptable. The lengthy loan procedures should also be minimized.
c) An analysis of business training services reveal that this service is offered at very low scales, with low access and lack of proper follow-up. It is therefore recommended that more of this service be provided to the SME owners and follow-up be made on their progress.

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