

Microfinance services and the growth of women entrepreneurial businesses in North Central Nigeria

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Abstract

Purpose: This study examined the effect of microfinance services on the growth of Women's entrepreneurial businesses in North-central Nigeria.

Research methodology: A survey research design with a population of 7061 women entrepreneurs in North-central, Nigeria and a sample size of 379 was used in the study. The effect between the variables was determined through correlation and multiple regression analysis.

Results: The findings revealed that microfinance lending; saving and training services have positive and weighty effects on the growth of women entrepreneurial businesses in Nigeria's North-central while microfinance management consultancy services recorded an inverse and insignificant impact on the women entrepreneurial businesses' growth in the zone.

Limitations: This study is limited to only entrepreneurial women in Nigeria's North-central with lending services, training services, saving services, and consultancy services as proxies for MFIs services; there are other services provided by MFIs like insurance that are not covered by this study.

Contribution: This study incorporated management consultancy services as one of the variables which have hitherto been neglected or ignored in the models that are to explain the microfinance services in Nigeria.

Keywords: *Microfinance-services, Growth, Women-entrepreneurs, Entrepreneurial-businesses*

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1. Introduction

Microfinance institutions have earned acceptability not just as essential financial organizations, but also for their economic and social services to many countries, particularly in Nigeria. [Eze, \(2016\)](#) noted that in North-central Nigeria, women entrepreneurs have mostly contributed to economic growth in the areas of job creation, poverty alleviation, wealth generation, and more prominently, human capital development. In Nigeria, Women entrepreneurs are advised to take advantage of new economic policies (good for women, good for Nigeria initiative, bridging Nigeria's gender gap initiative, and ban on rice importation), which women should anchor on to increase their entrepreneurial activities and drive the economy to an enviable height. Today, not only do female entrepreneurs contribute to economic growth through employment creation, but they also play a pivotal role in the diversification of the economy in any economic system that welcomes such an idea ([Verheul, 2016](#)). Since women's entrepreneurship is central to every country's economic growth, and financial services are a critical component in such business, it is therefore imperative for women entrepreneurs to work closely with banks especially microfinance intuitions for better access to financial services ([Anoke & Ndubuisi-okolo, 2022](#)).

Women-owned businesses are undoubtedly one of the key economic drivers in the world today ([Brusha & Cooper, 2012](#)). It has been seen to be contributing significantly to the generation of jobs and prosperity in all sectors of the economy through innovation. [Solomon \(2018\)](#) argued that women's entrepreneurship has increased lately as more women are entrepreneurially minded and this has given rise to economic boost and justifiable development in developing countries like Nigeria. To support this statement, [Anoke, Eze, Nwoye, and Odumu \(2022\)](#) asserted that a women entrepreneur is the powerhouse of growth in any given business environment; essential for capacity building; and plays predominantly vital roles in developed and emerging countries (like Nigeria) through job creation and women empowerment.

Despite several government efforts and attempts to promote and direct women's entrepreneurship in Nigeria, it has not reflected positively in women's entrepreneurial output as they queue behind their male counterparts in business, earn less money with slower-growing business mechanisms, and are more likely to flop as a result of the family-work mix ([Ubom, 2013](#)). [Anoke \(2019\)](#) noted that the commendable programs and policies like credit facilities, and training services among others developed by the Nigerian government to strengthen entrepreneurship notwithstanding, women entrepreneurial businesses are still not bridging the required gap when it comes to business opportunities and corporate awareness generation.

[Udenwa and Uwaleke \(2015\)](#) noted that microfinance institutes could be a progressive instrument created to give financial assistance to the society's economically active poor at a sustainable and affordable price. They argued that microfinance services include credits, insurance, savings, money, and all other financial services that the poor need for their income-generating activities and survival. Microfinance facilities have become meaningfully significant globally and more noticeably at national levels in developing countries like Nigeria.

Microfinance Bank (MFB) according to [Udenwa and Uwaleke \(2015\)](#), unless otherwise specified, is any company that is licensed to provide microfinance services in Nigeria as defined by the regulatory and supervisory guidelines of the institute. Such services are customers' savings; loan advancement, national and international money transfer, as well as other services that are permitted by law to be carried out by MFBs. Savings, training, financial advisory roles, insurance, and sometimes payment services are majorly inclusions of the financial services offered by micro-finance to entrepreneurs ([Aheeyar, 2017](#)). In some instances, micro-financial institutions intermediates between individuals and groups, develop self-confidence and provide literacy training to the customers ([Mbithe, 2017](#)). This implies that in the definition of microfinance, one cannot miss touching on the financial and social intermediations.

[Zeller \(2017\)](#) argued that in most cases, economically active poor women have restricted access to official financial services including credits, savings, and insurance. They often depend on several informal credit dealings with moneylenders, business associates, relatives, and friends. They equally indulge in a few informal saving methods like participating in revolving savings or unprofessional home savings. These options are not reliable and therefore, there was a need for the establishment of Microfinance Banks that they can rely on for the efficient provision of such formal financial services ([Uzzi, 2017](#)).

According to [Nwanyanwu \(2017\)](#), Nigerian women make up 51.8 percent of her population. 21.4 percent of this are economically engaged, 7.2 percent are under employment age while the remaining 23.2 percent are economically inactive. This means that the country has a vast untapped female populace that can be harvested and help the country develop rapidly by assisting them in becoming women entrepreneurs; attracting them as wealth-creating and employing instruments will be of utmost importance. Hence, assessing the effect of microfinance facilities in realizing entrepreneurial business growth through women entrepreneurs is directional, particularly in the background of having varied views on the aftermath, and as such serves as a motivation for this study.

Recently, there has been greater attention on women's progress and advancement regarding entrepreneurship in developing countries. The emphasis on this hitherto 'untapped' source of growth seems to be essential nowadays for development practitioners and policymakers. Because of these, governments, through microfinance institutions have taken several microfinance initiatives (like training, grants, and consultancy services), to increase the growth of women's entrepreneurial businesses in North-central Nigeria. However, despite several strategies and policy initiatives by policymakers aimed at growing women's entrepreneurial businesses in Nigeria, it has been observed that the survival rate of women-owned businesses in North-central Nigeria is very low and some women entrepreneurs access micro-credits from microfinance institutions only to be used to service other non-business issues and the need to investigate its relevance to women entrepreneurship growth becomes imperative and timely.

The main objective of the study is to determine the effect of microfinance services on the growth of women's entrepreneurial businesses in Nigeria North-central. Specifically, to:

- I. Examine the effect of microfinance lending services on the growth of women entrepreneurial businesses in North-central Nigeria.
- II. Assess how microfinance savings services have influenced the growth of women's entrepreneurial businesses in North-central Nigeria.
- III. Investigate the impact of microfinance client training facilities on the growth of women entrepreneurial businesses in North-central Nigeria.
- IV. Ascertain the impact of microfinance management consulting facilities on the growth of women entrepreneurs in North-central Nigeria.

The following prepositions were articulated and verified to guide the study:

- H01:** Microfinance lending service does not affect the growth of women entrepreneurial businesses in North-central Nigeria significantly
- H02:** Saving service of microfinance banks does not affect the growth of women entrepreneurial businesses in North-central Nigeria majorly.
- H03:** Microfinance client training services have no major effect on the growth of women entrepreneurial businesses in North-central Nigeria
- H04:** Microfinance management consultancy services have no discernible impact on the growth of women entrepreneurial businesses in North-central Nigeria

2. Literature review

2.1 Conceptual Clarification

Microfinance services and female entrepreneurs have become knowingly important universally and more especially at national levels in developing countries like Nigeria. Microfinance has advanced as a method of economic development aimed at low-income business persons especially female entrepreneurs (Roy, 2018). These organizations provide both financial and non-financial services to low-income consumers, such as small business financing and insurance, to promote economic development through the expansion of entrepreneurial activity.

The extent of these 'untapped markets' by today's financial institutions is large. According to a poll conducted by Enhancing Financial Innovation and Access (EFInA) in 2019, roughly 79 percent of Nigeria's total population is unbanked, with 86 percent of those living in rural areas. In addition, in 2015, Nigeria's entire micro-credit facilities accounted for roughly 0.2 percent of GDP and less than 1% of total credit to the economy. This revealed a major gap in the availability of financial services for many economically engaged poor and low-income households. Eton, Mwosi, and Ogwel (2022) asserted that internal management mechanisms cater for 55.4 percent of financial prudency variances. Internal monitoring and environmental control, in particular, have a considerable impact on financial accountability, and women entrepreneurs are expected to watch these indicators keenly to grow and sustain their businesses. The continued neglect of this all-important segment of the economy has properly increased the poverty level and continues to slow down the economic growth and development

in Nigeria. Therefore, there was a need to close this gap through the establishment of microfinance banks ([Udenwa & Uwaleke, 2015](#)).

This study adopted the definition of [Udenwa and Uwaleke \(2015\)](#) who noted that an MFB is any firm permitted by the Central Bank of Nigeria (CBN) to operate and provide microfinance services to her populace. Such services are savings, insurance, loans, and other financial and non-financial facilities that will enable the small business person to conduct and expand their businesses as contained in the rules of MFB in Nigeria. The above definition is accepted by this study because MFB is established to put the needed financial tools in the hands of people who would not otherwise have access to them, especially women entrepreneurs.

Microfinance Lending Services

Microcredit is perceived as the giving out of small-scale credit, monetary, social facilities, and other products to the poor in rural, semi-urban, and metropolitan regions to help them improve their living conditions ([Isaac, 2015](#)). According to [Udoh \(2017\)](#), microcredit is offered often without collateral, to an individual or through a group for a start-up or expansion of their business.

Microcredit involves the provision of minor loans and other financial amenities (such as savings accounts, cash advances, and insurance) to poor business persons, who might not meet the requirements for formal credit as they have no credit history or collateral ([Ahmed, 2013](#)). Micro-financing is the provision of the required business funds to low-income customers. It's also believed to be the most practical and important source of funding for the impoverished ([Osuji, 2016](#)). [Umar \(2022\)](#) noted that the sizes of the household, sex, as well as firm's age, are considered vital factors in loan default among microfinance bank mortgagors. In a related development, [El Idrissi, & Alami, \(2021\)](#) maintained that most core board mechanisms are inversely related to the financial performance of women entrepreneurs.

Microfinance Saving Services

According to [Willard \(2017\)](#), micro-savings are facilities of MFIs that permit their clients to store small amounts of money for non-immediate use. This version of the account permits families to keep lesser amounts of the fund to meet unforeseen expenditures and plan for future expansion of their business to meet up with the current demand of life.

[Kwan and Tan \(2018\)](#) viewed savings as a growth in a company's overall assets that serve as a form of insurance for future financial obligations. [Robinson \(2014\)](#) stated that MFBs savings services are covered and a safety net that the depositors will fall back on in time of need. The inability of female entrepreneurs to save and effectively exploit their financial opportunities does have a serious negative impact on women's business performance ([Olu, 2019](#)).

[Tharu and Shrestha \(2022\)](#) argued that the effectiveness and profitability of MFIs cannot be tied to the banks' size but are significantly influenced by their efficiency and level of assets. For this study, a microfinance saving service is a tool used by microfinance institutions to help the active poor people in society decrease the risk and expenses associated with borrowing. Most scholars who defined micro-saving services never captured the risk associated with borrowing as those who fail to save must borrow to survive.

Microfinance Client Training Services

Business training is a structured action designed at transmitting business ideas, instruction, and or information to help the recipient enhance their performance or achieve a desired level of knowledge or expertise. This can be accomplished through attending local and international business seminars, and conferences. [Enyi \(2015\)](#) noted that corporate coaching and the level of education offered by MFIs to women entrepreneurs have shaped their mood of reasoning, and creative thinking and overturned their business development positively.

[Bulla, Maronda, and Ngacho \(2018\)](#) further observed that highly experienced and qualified employees are required in any organization to facilitate and deliver high-value products and services to their valued clients, as well as increase consumer confidence, trust, and repeat purchases.

From the start of their businesses, female entrepreneurs do confront business challenges such as a lack of marketing techniques, unfavorable business environments, stiff competition from the male fold, insufficient fund skills, and lack of access to basic business infrastructure. The men-dominated business world is another challenge that women entrepreneurs in this part of the world must contend with ([Maru & Chemjor, 2013](#)). There is a need to understand the belief from many quarters that "when you train a woman, you train a nation". These women are referred to as entrepreneurial women. Train them up to overcome the self-defeated mechanism most of them found themselves in and you get an economic boost ([Akanji, 2016](#)).

Therefore, training entails learning or improving any skill, knowledge, or fitness that corresponds to certain beneficial competencies in oneself or others. Its purpose is to increase one's proficiency, capacity, efficiency, and desired output.

Microfinance Management Consultancy Services

Contemporary business is characterized by threat, vagueness, and uncertainty. Such an environment is equally competitive and reflected in all decisions taken by managers and owners of such businesses. Therefore, management consultancy services(MCS) are one of the most vital management techniques and practices developed over the last decades to help business owners navigate through troubled business waters ([Khavul, 2013](#)).

Financial consulting has gained relevance in the business world recently as most key decisions in the sector are consulted before strategic implementation is taken. The link, and interaction between the business firm and the consulting organizations' knowledge and expertise on the one hand, and the need for entrepreneurs to acknowledge their function and accept their professional advice on the other, makes a purposeful business venture ([Murray& Rosenberg, 2016](#)). MCS in this study is the practice of providing entrepreneurs with the needed business information and technique so that they can run and compete effectively in the competitive business environment. This includes advisory, business techniques, direction, implementation, and follow-up.

Business Growth and Women Entrepreneurs

In this context, business growth encapsulates a variety of things; including a rise in total sales capacity, increased production level, increased youth engagement, increased materials, and increased participation in business ([Mwewa 2018](#)). Business growth entails a stage where a firm reaches its saturation in a given area and needed to exploit other options to generate more funds and expand its business portfolio. It is a function of business maturation, firm growth trends, and the owner's desire to create value ([Enyi, 2022](#)).

[Michael and Willy \(2014\)](#) suggested that women's participation in business, acquired market share, and profits should be used to gauge corporate performance. However, they argued that these indicators are not as widely used as sales volume and employment generation because of their limited applicability; for example, market share and physical output vary across industries, making comparisons difficult; total assets value is dependent on the industrial capital intensity and is subject to change over time ([Akanji, 2022](#)).

For this study, growth is seen as the rate at which women increase in business participation through prompt investment and acquire more market shares through penetration into new and existing markets with new or existing products or services

Empirical Studies

Several researchers have explored the influence of microfinance facilities on female entrepreneurs' growth, with diverse results. [Willard \(2017\)](#) in Kenya's Kericho County looked at the impact of microfinance advancing services on SMEs' growth. A descriptive survey research design was used to look into four diverse business categories. A structured questionnaire was employed to source the needed information. A stratified random sample procedure was utilized to choose 60 firms from a population of 1264. Multiple regression was used to test the association between microfinance lending services and the growth of SMEs. It was found that microfinance lending service has influenced SMEs' growth in Kericho. A sample of 60 from a population of 1264 is grossly inadequate to be a representation of the population.

[Okoye \(2017\)](#) studied microfinance saving and the level of its effect on small and medium enterprises (SMEs) growth in Nigeria. The study used table water manufacturing companies in the Mararaba area of Nasarawa State, Nigeria as a case study. The study used data from 11 registered table water manufacturing firms existing in the research area in the year 2016 as a sample. A questionnaire was used to collect the data required. The Ordinary Least Square method of regression analysis was equally used to analyze the collected data.

The result exposed that microfinance savings have significant effects on the firm's performance with a probability value of 0.37. The study also revealed that most manufacturing company used for the research work used their saved fund as a backup in times of economic crisis. The study concludes that microfinance saving service is a critical element for enhancing the performance of SMEs in Nigeria. He, therefore, recommended that owners and managers of SMEs should cultivate a spirit of saving culture, as it will serve as a standing stone on a rainy day.

The study though used the proper statistical tools in the work, but the scope is limited (Mararaba is just a town in Karu LGA) of Nasarawa State. The result, therefore, cannot be used to generalize the state.

[Alarpe \(2020\)](#) examined the training service and its effect on MFBs business performance of women using cross-sectional data from southwest Nigeria. A regression analysis was employed in the study. The study used a non-financial service variable to determine its effect on microenterprise performance. Data from 2000-2006 obtained from the CBN bulletin was used for the analysis. The study publicized microfinance training services to be pivotal to the performance of women's businesses in Nigeria.

While the study is broad as it scoped the South-Western zone, it falls short in limiting its time frame to the years 2000-2006 knowing that MFB in Nigeria was officially established on December 15, 2005, and any conclusive findings are expected to be two years post establishment.

[Memba \(2019\)](#) studied the impact of micro-finance consultancy facilities on the business growth of women entrepreneurs in Kenya. 200 women entrepreneurs that have consulted before were used as the population of the study. A sample of 100 was randomly selected as a sample while a questionnaire was the main device for data collection. Sales per annum and market share were used to measure growth in the study. They were analyzed before and after the consultancy program by a Venture Capital consultancy firm. According to the findings, there is no link between the rise of women entrepreneurs and the availability of venture capital consulting services in Kenya. It was recommended that policymakers and stakeholders should review consultancy service programs for better input if the country must achieve its vision 2025 goals of financial freedom for all.

The study was done in Kenya eleven (3) years ago with a different regulatory system from that of Nigeria-hence, the need to carry out a similar study in Nigeria. In addition, the input of one consultancy firm (venture capital consultancy) is inadequate to rely on and draw a conclusion for Kenya.

Theoretical Framework

The theoretical context underpinning this study is the feminist theory. Feminist theory is an area of social theory concerned with social, economic, and political rights issues. This theory is, in essence, a set of concepts based on the belief that women are either subordinate to males or exclusively valuable in the eyes of men (childbearing). It is believed that the system and structure in place in today's business environment will change for good if women entrepreneurs are incorporated freely and fully into the economic nerve of society. Feminist scholars noted that women have traditionally been accepted from entrepreneurship works and they have instead urged that entrepreneurship should be understood as gendered activity. The focus of those scholars is twofold: the construction of the class of the female entrepreneur and the examination of the distinct ways in which the linkage between gender occupation and organizational structure affects female and male business owners' gender-based awareness and categorization ([Khaki & Sangmi, 2012](#)).

3. Research methodology

To attain the goal of this study, a survey method was exploited. The survey research design was favored because it is capable of collecting huge data needed to achieve the desired research goal. The aimed population for this study is entrepreneurial women who utilize microfinance services in the six states of North-central Nigeria. They include entrepreneurial women in Benue (1737), Plateau (1700), Kogi (504), Nasarawa (1101), Niger (1154), and Kwara (865) States. According to the [Enterprise Agency of Nigeria facts book 2021](#), there are 7061 registered women entrepreneurial businesses in the six North-central states purposively selected for this study.

The researcher used a stratified sampling technique, which divides a population into smaller groups. The stratum is made up of four categories of women entrepreneurial businesses, which include hairdressing, tailoring, bead making, and catering services within North-central Nigeria. This is because these forms of business are commonly owned and operated by women entrepreneurs.

The fraction of the total in each class to the entire population was employed to determine the sample size in each woman's business category (with a slight sample error). The sample size herein was arrived at using [Yamane's \(1967\)](#) formula as seen below:

$$n = \frac{N}{1 + N(e)^2}$$

Where;

n = sample size;

N = population size;

e = Level of precision required;

1 = constant

The following variables were utilized in selecting the sample size:

Confidence interval = 95 %

$$e = \text{Margin of error} = 0.05 \quad n = \frac{N}{1 + N(e)^2}$$

The variables are then submitted.

$$\frac{7061}{1 + 7061(0.05)^2}$$

$$7061$$

$$n = \frac{7078}{1+7061(0.0025)}$$

$$n = - \frac{7061}{1+17.6525}$$

$$n = 379$$

The 379 sample size is a good representation of the population bearing in mind the scope and the topic under investigation. The researcher employed Burley's formula to proportionate and allocate the sample size of 379 to the sampled states:

$$nh = \frac{nNh}{N}$$

We have;

nh = each state's assigned number

n = sample size in total

Nh = each state's whole population

N = overall population

Then, we have:

Benue State (93), Plateau State (91), Kogi State (27), Nasarawa State (59), Niger State (62), and Kwara State (47) respondents respectively. A questionnaire was the data-collecting instrument used to source the required information. A total of fifteen (15) respondents out of 379 administered questionnaires did not return their questionnaire (Benue-4, Plateau-3, Kogi-2, Nasarawa-2, Niger-1, and Kwara -3) while 364 returned questionnaire was used for the data analysis in the study. The instrument was keyed on a 5-point Likert scale spanning from 1=strongly disagree to 5=strongly agree.

The instrument reliability was assessed using the Cronbach Alpha coefficient, which is expected to be above 0.70 (Nunnally, 1978).

Table 1. Reliability (Cronbach's Alpha) Result

Questionnaire Variables	Cronbach's Alpha
Microfinance lending services	0.792
Microfinance saving services	0.791
Microfinance training services	0.753
Microfinance management consultancy services	0.758
Growth of women entrepreneurs	0.758

Source: SPSS-25, 2021

The key variables in the study recorded scores above the lowest value of 0.70 as shown in Table 1, using the Cronbach's Alpha test which indicates that the instruments were reliable.

A 5% significance level was adopted in the study as all tests were done and matched against the 5% level of significance. The analyzed data was then presented in form of tables. Specifically, the regression model was of the form:

$$GWE = \beta_0 + \sum_{i=1}^i \beta_1 MLS + \sum_{i=1}^j \beta_2 MSS + \sum_{i=1}^l \beta_3 MTA + \sum_{i=1}^l \beta_4 MCS + \mu_t$$

Where:

β_0	=	the autonomous parameter estimates (Intercept or constant)
$\beta_1 - \beta_4$	=	Parameter coefficients of Microfinance services
GWE	=	Growth of women entrepreneurial businesses
MLS	=	Micro-finance lending services
MSS	=	Micro-finance saving services
MTS	=	Micro-finance client training services
MCS	=	Microfinance management consultancy services
μ	=	Error term

Data Presentation

Table 2. Descriptive Statistics of the Variables

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
GWE	364	1.00	5.00	2.9525	1.54401
MLS	364	1.00	5.00	3.2823	1.45369
MSS	364	1.00	5.00	3.5937	1.22736
MTS	364	1.00	5.00	3.3377	1.24591
MCS	364	1.00	5.00	3.1759	1.17883
Valid N (listwise)	364				

Source: SPSS version 27 outputs, 2022

The variables' mean and standard deviation (Std), as well as their minimum and maximum values, were shown in Table 2. The mean value of growth of women entrepreneurial business (GWE) is 2.95, the mean value of microfinance lending services (MLS) is 3.28, the mean value of microfinance saving services (MSS) is 3.59, the mean value of microfinance training services (MTS) is 3.34, and the mean value of microfinance consultancy services (MCS) is 3.18. It also recorded Std of the variables as GWE =1.54, MLS 1.45, MSS 1.23, MTS 1.25 and MCS 1.18. The result implies that micro-finance services affect the growth of women's entrepreneurial businesses in North-central Nigeria.

Correlation Matrix Analysis

The correlation analysis results were analyzed and interpreted under the model stated, to identify the strength of the link that exists between the variables of interest, and was thus discussed. The stronger the correlation, the nearer the correlation coefficient value is to one, and the weaker the correlation, the closer the correlation coefficient value is to zero. The correlation result is presented in Table 2.

Table 3. Correlation Matrix Result

	GWE	MLS	MTS	MSC
GWE	1			
MLS	0.7845	1		
MSS	0.6547	0.5694	1	
MTS	0.7541	0.6958	0.5877	1
MSC	-0.7369	0.6958	0.5744	0.52344

Ss	364	364	364
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Source: SPSS-27, 2022

A positive association was perceived to occur between GWE and MLS. This association was strong as seen by the correlation coefficient value of 0.7845. Similarly, there is a strong link between GWE and MSS as captured by the 0.6547 value of the correlation coefficient among the two variables.

Same vein, GWE and MTS recorded a positive and strong association of 0.7541 by the correlation coefficient. Lastly, the correlation between GWE and MSC showed a strong but negative association as shown by the association coefficient value of -0.7369.

In summary, the results proved that microfinance variables and GWE have a strong link. The Analysis of Variance (ANOVA) result is shown in Table 3 The finding further confirms that the regression model of microfinance services on the growth of women entrepreneurial businesses is significant for the data $F=947.84$, $p<0.05$) since the p-value was 0.000 which is less than 0.05. It is therefore fit for the study.

Table 4. Analysis of Variance for Microfinance Services and Growth of Women Entrepreneurial Businesses

Business

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	381.834	4	95.458	947.84	0.000b
	Residual	36.155	359	0.101		
	Total	417.989	363			

a. Dependent Variable: GWE

Source: SPSS-27, 2022

Statistical Test of Hypotheses

The hypothesis was tested by using multiple linear regression and determined using p-values of the t-statistics (or t-value). The rejection/ acceptance criteria were that, if the p-value is less than 0.05, we reject the null hypothesis, otherwise, accept.

Table 5. Multiple Linear Regression Result

Growth of Women Entrepreneurial Businesses	Coef.	Std. Err.	t-values	p-values
Cons_	1.62551	0.171367	9.48551	0.0000
Microfinance lending services	0.87554	0.399380	2.19225	0.0481
Microfinance saving services	2.59855	0.904029	2.87441	0.0148
Microfinance training services	1.78454	0.716824	2.48951	0.0399
Microfinance management consultancy services	-0.36254	0.243558	-1.48851	0.1214

Source: SPSS-27, 2022

Microfinance Lending Services and the Growth of Women Entrepreneurial Businesses

Test of Hypotheses One:

H01: Microfinance lending service (MFLS) does not have a major effect on the growth of women entrepreneurial businesses in Nigeria North-central.

Table 5 revealed that the calculated t-value for the association between Microfinance lending services and the growth of women entrepreneurial businesses is 2.19225 and the p-value is 0.0481 at 95% confidence levels(CL). Since the p-value is less than 0.05 (or 5%), we reject the null hypothesis (**H01**) and agree that Microfinance lending services have a significant effect on the growth of women entrepreneurial businesses in North- Central Nigeria.

Microfinance Savings Services and the Growth of Women Entrepreneurial Businesses

Test of Hypotheses Two:

H02: Microfinance saving service does not have a major effect on the growth of women entrepreneurial businesses in Nigeria North-central.

Table 4.4, equally revealed that the t-value for the association between Microfinance saving services and the growth of women entrepreneurial businesses is 2.87441, with a related p-value of 0.0148 at a 95% CL. Since the P-value is less than 0.05(5%), the null hypothesis (**H02**) was rejected and concluded that Microfinance saving services have a major effect on the growth of women entrepreneurial businesses in Nigeria's North-central.

Microfinance Client Training Services and the Growth of Women Entrepreneurial Businesses

Test of Hypotheses Three:

H03: Microfinance client training service has no major effect on the growth of women's entrepreneurial business in Nigeria's North-central

In hypothesis 3, the calculated t-value for the association between Microfinance client training services and the growth of women entrepreneurial businesses were seen to be 2.48951; with a related p-value of 0.0399 at a 95% CL, which means $p < 0.05$. Therefore, the null hypothesis (**H03**) was rejected and concluded that Microfinance client training services have a major effect on the growth of women entrepreneurial businesses in Nigeria North-central.

Microfinance management consultancy services and the Growth of Women Entrepreneurial Businesses

Test of Hypotheses Four:

H04: Microfinance management consultancy services have no major effect on the growth of women entrepreneurial businesses in Nigeria's North-central

It was also seen that the calculated t-value for Microfinance management consultancy services and the growth of women entrepreneurial businesses recorded -1.48851 with a P-value of 0.1214 at a 95% CL. Since the p-value was found to be higher than 0.05, we thus, accept the fourth null hypothesis (**H04**) and conclude that Microfinance management consultancy services have a negative and a minor impact on the women entrepreneurial businesses' growth in Nigeria's North-central.

4. Results and discussions

In Hypothesis 1, the study publicized that micro-finance lending services have a significant and favorable effect on the growth of women entrepreneurs in Nigeria's north-central region.

This implies that microfinance lending services contribute positively to women entrepreneurs' growth in North-central Nigeria. This result is in tandem with the findings of [Willard \(2017\)](#) who established that microfinance lending services affect the growth of women entrepreneurs positively.

Hypotheses 2 revealed that microfinance saving services have a positive and strong effect on the women entrepreneurs' business growth in Nigeria North-central. This suggests that savings by women entrepreneurs either as an individual or as a group have contributed significantly to the growth of women entrepreneurs in Nigeria North-central as such savings are loaned to other clients, reinvested and the multiplier effect usually boost the economy. This finding is in tune with the findings of [Okoye \(2017\)](#); [Panda \(2017\)](#) who found respectively that microfinance saving services have a positive and major effect on the growth of women entrepreneurs.

In Hypothesis 3, it was revealed that microfinance training services have a positive and significant effect on the growth of women entrepreneurs in North-central Nigeria. This suggests that micro-finance

training services contributed positively to the growth of women entrepreneurs in North-central Nigeria as it helps to provide the needed experience and skills needed by women entrepreneurs for business. This finding also supports the findings of [Alarpe \(2020\)](#) who maintained that microfinance training services are pivotal to the growth of women entrepreneurs in Nigeria.

In hypothesis 4, the study found that microfinance consultancy services have a negative and insignificant effect on the women entrepreneurs' business growth in Nigeria North-central. This indicates that micro-finance consultancy services do not contribute to the growth of women entrepreneurs in North-central Nigeria. This is because most MFIs in the North-central part of Nigeria focused more on lending and savings services thereby neglecting one of their duties to provide consultancy services to women entrepreneurs (their clients) who are mostly uneducated and needed assistance and direction on how to invest wisely and manage the borrowed funds properly. This finding is in tandem with the findings of [Memba \(2019\)](#) who established that microfinance management consultancy services and the growth of the entrepreneurial business are inversely related.

5. Conclusion

This study has scrutinized microfinance services and their effects on women's entrepreneurial business growth in North-central Nigeria by employing samples from registered women entrepreneurs operating in that region. In addition, the researcher examined if lending, savings, Client training, and management consultancy services of MFIs affect women entrepreneurial businesses in Nigeria's North-central geopolitical zone. Based on the findings that lending, savings and client training services of MFIs have a positive and key impact on the growth and advancement of entrepreneurial women businesses in Nigeria, especially the North-central, while management consultancy service has a negative and minor value on the entrepreneurial women business growth in Niger's North-central, the study closes that microfinance management consultancy service does not cause women entrepreneurial businesses to grow in North-central Nigeria. This implies that MFIs are lagging in one of the most important management strategies which is one of their core functions developed over the last decade to help business entrepreneurs navigate through the troubled business waters. It is expected that when business owners especially women entrepreneurs hire qualified and well-trained consultants, the professionals will help to identify growth impediments, increase existing employee efficiency and output, modify business paradigms, inject new and profitable business objectives, train employees professionally, terminate unproductive business layers, and revitalize old but potentially profitable business opportunities. When this is done, women entrepreneurs especially those in Nigeria's North-central will take their rightful position in nation-building economically. In support of the statement, [Akanji \(2022\)](#) opined that business advisors (consultants) are effective in assisting entrepreneurs in improving their business performance and efficiency through the provision of effective business analysis, clarifications, and ensuring that their company's target agenda is met.

The following suggestions were made as a result of the findings and conclusion

Since it has been established that a microfinance lending service is a vital tool for the growth of women's entrepreneurial business in North-central Nigeria, women entrepreneurs are reluctantly applying for such loans due to the stringent conditions and collateral attachment. It is, suggested, therefore, that mortgagors be trained on loan management and application, alternative securities and sureties such as social sanctions and credit denial are made as punishment for defaulting borrowers while the lengthy loan procedures are minimized.

Women entrepreneurs should be encouraged by microfinance institutes to cultivate a saving culture as this will enable them to become financially secure and provide a safety net in case of an emergency. This they can do through daily, weekly, and monthly contributions through their group and within their locality.

There should be training and retraining of women entrepreneurs by MFIs in collaboration tools like projectors and whiteboards which are eco-friendly. This will enable women entrepreneurs to share

knowledge and skills and bring them to the world's best practice that is essential for women's business growth.

An analysis of microfinance management consultancy services showed that this service is provided on a very small scale, with limited access and no follow-up. As a result, it is advised that this consulting service be provided not only by providing the appropriate advice but also at the appropriate time and in the appropriate manner to women entrepreneurs and follow-ups are made on their progress to sustain their growth.

5.1 Contribution to Knowledge

Every investigation intends to contribute meaningfully to the body of knowledge; as such, this study contributed to the body of knowledge in the following ways; (a) the extent of prior literature available on microfinance services and the growth of women entrepreneurial businesses especially in North-central Nigeria is limited but this research work has bridged the gap; (b) this study incorporated management training services as one of the variables which have hitherto been neglected or ignored into the models that are to explain the microfinance services in Nigeria. Finally, this study contributes by expanding the body of knowledge on microfinance services and the growth of women entrepreneurial businesses in Nigeria, especially in North-central Nigeria.

5.2 Limitations of the Study

Although there are many entrepreneurs (male and female) in Nigeria's North-central, this study is limited to only entrepreneurial women in Nigeria North-central. The study is also limited to the following microfinance services: lending services, training services, saving services and consultancy services, and women entrepreneurs' growth in Nigeria North-central as there are other services provided by MFIs like insurance which are not covered by this study. In addition, a study of this kind is normally confronted with stiff and unfriendly data accessibility as much data are classified and considered confidential.

5.3 Ethical Consideration

The questionnaire was administered to the chosen respondents after they were informed that the information was being collected only for research reasons and that each respondent's oral agreement was secured before the data was taken. Before, during, and after the delivery of the questionnaire, all Covid-19 guidelines were completely followed. The responders were also assured that the information they gave would be kept completely confidential.

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