Business, Management and Economics Research
ISSN(e): 2412-1770, ISSN(p): 2413-855X
Vol. 2, No. 1, pp: 15-23, 2016
URL: http://arpgweb.com/?ic=journal&journal=8&info=aims

Access to Finance and Attrition Relationship of Small and Medium Textile Firms in Nigeria

Moses O. Ode Jomo Kenyatta University of Agriculture and Technology, Juja, Kenya
R. Odhiambo Jomo Kenyatta University of Agriculture and Technology, Juja, Kenya
G. Orwa Jomo Kenyatta University of Agriculture and Technology, Juja, Kenya
Egena Ode* Benue State University, Makurdi, Nigeria

Abstract: This study focused on the relationship between access to finance and attrition in small and medium textiles firms in Nigeria. The study became necessary due to the moribund nature of the textile industry in Nigeria. The sector was the second largest employer of labour but declined rapidly in productivity between 1991 and 2000, with 80 textile firms closing shop. The study takes a firm specific approach to help investigate the source of decline. Commentators on the causes of the downward trend in the textile industry had mentioned many perceived factors including access to finance. The purpose of this study is to isolate access to finance and to subject it to more intensive investigation. To do this effectively, a sampling frame which contained the list of the collapsed and standing firms was obtained from the textile manufacturers association of Nigeria based in Kaduna. All the selected firms were of medium category. A purposive sampling was used to enlist 3 entrepreneurs each from both failed and successful textile firms and 10 senior managers of failed and 4 senior managers of successful firms for a pilot study. Using a snow-balling technique, 196 respondents comprising owners and senior managers from failed firms were administered semi-structured & unstructured questionnaire whilst 160 questionnaire were also administered on owners and senior managers from successful firms. A total of 232 questionnaire were retrieved representing 65% of questionnaires sent out. The statistical tools used for testing are correlation, ANOVA and Regression. The analysis shows that the correlation between access to finance and the attrition of textiles industries in Nigeria implying a strong negative relationship between access to finance and the attrition of textile industries in Nigeria. It is recommended that textile industries take advantage of the most recent source of financing which is the Nigeria industrial bank. Financial discipline needs to be practiced by textile entrepreneurs in order to distinguish between company funds and personal funds.

Keywords: Access to finance; SMEs; Attrition; Government policy.

1. Introduction

The global textile and garment market is valued at around $400 billion which is an interesting figure that attracts entrepreneurs from around the world to venture into the sphere (OECD, 2013). The textile industry in Nigeria was the largest in Africa after Egypt and South Africa. Unfortunately for the African continent and for Nigeria in particular, the trade has not been profitable because of the state of its textile industry, and also with particular reference to its textile SMEs (Aguiyi *et al.*, 2011). Nigeria's small and medium textile sector has developed to incorporate fibre production, spinning, weaving, knitting, carpet production and packaging, dyeing, printing and finishing (Mohammed, 2011). These small and medium firms employ between 11 and 100 workers for small firms and 101 and 300 workers for medium firms.

Inegbenebor (2006) noted that the contribution to economic development by small and medium enterprises to economic development is not in doubt. The best estimates available, suggest that MSME, comprise 87% of all firms operating in Nigeria (Oyelaran-Oyeyinka, 2013). The modern textile industry in Nigeria, typically represents simple input substitution industrialization of the post-colonial state (Aremu, 2003). The sector in the past was the largest employer of labour after as it employed an estimated one million Nigerians. (Umar, 2008). The private sector which should indeed be the engine of growth is encumbered by impossible obstacles. For almost 18 years, industrial growth

*Corresponding Author

has almost come to a halt, not only are new industries impossible to establish, most old ones have nearly all shut down (Quoted in Umar (2008)).

Generally, it is believed that the firm's survival is at least in the long run a prerequisite for success which is often measured in terms of market share or profitability. To date however, studies of firm longevity have focused on large companies (Pasanen, 2003). Only a few studies have focused on SMEs with a specific focus on the successful and unsuccessful textile firms. For the Nigerian small and medium textiles, there has been practically no empirical study so far undertaken. Public commentaries on the state of the Nigerian textiles cannot provide the desired solution, and thus calls for proper investigation.

Statistics indicate that those who have directly lost their jobs as a result of attrition/closure of textile firms in Nigeria between 1991 and 2000 are estimated at about 250,000 (Obinna, 2009). This has further worsened the unemployment situation in the country. Many public commentators have blamed the dwindling fortune of the sub-sector on a number of perceived constraining factors including lack of finance and government apathy. It is for this reason, that this present research is investigating these factors to ascertain this causality. Specifically, the study sought to find out if access to finance contributed to attrition of small and medium textiles in Nigeria. Secondly, if government policy influenced attrition between the independent and dependent variables.

2. Review of Related Literature

A manager of an enterprise should be concerned with resource allocation as well as resources management, acquisition and investment and thus requires the knowledge of finance theories for a guide. This study drew theoretical lenses from the financial capital liquidity theory, pecking order theory, resource dependency theory and the strategic trade theory to investigate the phenomenon

The Financial Capital Liquidity theory postulates that entrepreneurs have individual specific resources that facilitate the recognition of new opportunities for the assemblage of resources for the emerging firm (Alvarez and Busenitz, 2001). Research indicates that some persons are more able to recognize and exploit opportunities much more than others because they have access to information and knowledge (Anderson and Miller, 2003; Shane S. and Venkataraman, 2000; Shane S. A., 2003). Finance is important to SME textile owners as it is instrumental in the acquisition of other factors yet lack of it can cripple an enterprise.

The Pecking Order Theory **(**POT) deals with financing decisions in firms. The theory analyses the various finance options open to an SME owner. According to POT theory of Myers (1984), a firm's capital structure is driven by the firm's preference to capitalize with internally generated funds instead of external financing. Usually external financing comes with stringent transaction costs (Swinnen *et al.*, 2005). There are requirements for securities which an SME textile owner may be unable to provide, or very high interest rates that banks and other financial institutions charge. Managers/SME owners will therefore start with internal equity financing, followed by external debt financing and lastly by external equity financing (Myers, 1984).

Similarly, Sheppard (1995) and quoted in Abouzedan and Busler (2004) spearheaded the resource dependency theory. This theory's basic assumption is that organizations survive by acquiring and maintaining resources from their environments Thornhill and Amit (2003), Rogerson (2007) and Fernandez (2006). Furthermore, Townsend *et al.* (2010) supported the theory by indicating that lack of resources is among the factors that shape small business fatality rates.

Strategic trade theory describes the policy certain countries adopt in order to affect the outcome of strategic interactions between firms in an international oligopoly, an industry dominated by a small number of firms (Reimer and Stiegert, 2006). The main issue in this theory is that trade policies can raise the level of domestic welfare in a given state by shifting profits from foreign to domestic firms. Countries at one time or the other resort to strategic use of export subsidies, import tariffs and subsidies to R & D or investments for firms facing global competition and can have strategic effects to their development in the international market (Spencer and James, 2008).

Finance is the money required by a business for investment and as working capital (Karimunda and Baruwete, 2006). According to Pretorius (2008), raising capital requires some basic knowledge, access to information about sources of funds especially the need for adequate financial planning, credit control and role of financial control and the stock market. Earlier, Mensah (2004) had given many reasons for this lack of finance which include the relatively undeveloped financial sector with low levels of intermediation, high costs of borrowing and rigid interest rates. Karimunda and Baruwete (2006) put forward the fact that there are several reasons why SMEs need a loan which might be for financing of new projects or the opening of a new branch. Researchers highlight three failure reasons that are connected to finance. One group of researchers has cited financial issues such as improper financial management and excessive debt. Such researchers as Gaskill *et al.* (1993) and Suh (2004) are of the view that without cash, no business can run, but having taken too many loans and making the bank or any other financial institute a creditor without the ability to pay the debts, will bring the business towards bankruptcy.

In other studies, less access to capital at a point in time has been given as a reason for business failure (Stoval, 2005). It is therefore the right funding at that critical stage that is important and guides against attrition. In yet another study, Zahra (2011) found that inappropriate use of financing can lead to enterprise attrition. This is typical of most sole proprietorships which are that of regarding the business fund as that personal or family money. Such attitude is often displayed by Nigerian enterprise owners, as such the working capital is unlikely to last long enough for the company to succeed until the next funding round.

Government policy plays a role in ensuring enterprise growth and by it actions can cause enterprise failure. Ayo *et al.* (2010) indicated that government policy acts a business regulator with the overall aim of helping to sanitize and to stimulate the activities of the enterprises so that they can have the respect for the rule of competition. On the other hand, where the policies of government fail to build enterprise culture, building the capability for small enterprise growth, improving access to growth, the enterprises witness shorter life cycles (Demirguc-Kunt *et al.*, 2006).

Three sub-variables of owners' equity, loans and collateral are being investigated and analysed in this study.

Empirical Studies Linking Finance Access & Government Policy to Attrition

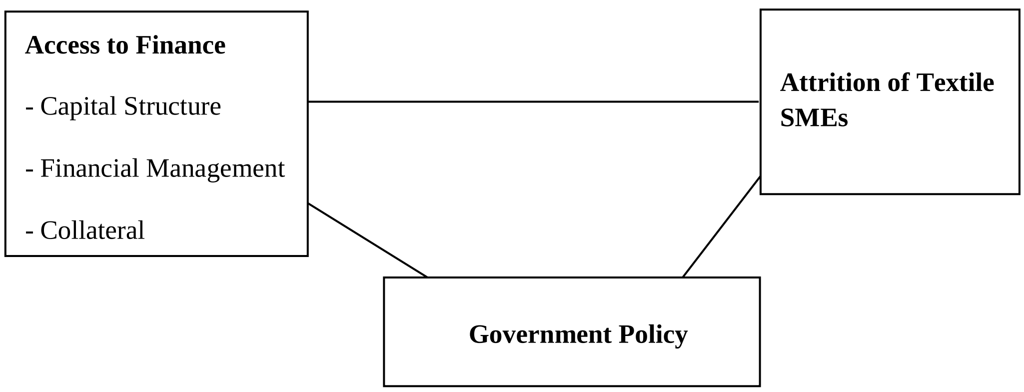
S/N	Author	Title of Study/Place	Population/Methods/ Sample	Analysis	Major Findings
1	Zahra Arasti	An empirical study on the causes of business failure in Iranian context – African journal of business management Vol. 5(17) pp. 7488-7498 Sept 2011	Interviews with 13 Iranian entrepreneurs whose businesses failed. Questionnaires using 5 point Likert scale was completed by 51 managers of failed firms.	SPSS	Main cause of failure identified - management deficiency - Lack of financial support - Insufficient government policy
2	Wilfred Isak April	Critical factors that influence the success and failure of SMEs in Namibia in the Vehomas Legion. Dec, 2015	Data drawn from all SMEs in Khomas region. 40 structured question names for data collection. Twenty for successful firms twenty for unsuccessful firms 19 questionnaires for successful firms returned 9 questionnaires for unsuccessful firm returned	Used frequently distribution and arrived at percentage	Most unsuccessful business owners feel that the lack of proper government assistance is the most critical factors that led to failure
3	Olawale & Garme	Growth of new SMEs in South Africa (2010)	Thirty internal factors were identified and tested - major instrument was a structured questionnaire - questionnaire administered on 100 respondent - 5 point likert scale accessed	The principal component analyses with variable rotation	The findings identified a number of obstacle which principally included financial
4		Retrospective analysis of failure causes in South African small business Nemaenzhe (2010)	A sample comprising 254 owner managers, drawn from South Africa and Botswana. Data collected using semi-structured questionnaires and interviews	The analyses were through both qualitative and quantitative methodology	Four explanatory findings leading to failure - planning in finance and marketing - cash control - monitoring & control - Income constraints

3. Conceptual Framework

The literature review so far indicates a causal link between access to finance and firm failure, but this study's definitive position on its link or otherwise to attrition will be determined only after the field survey. This present study therefore proposes a conceptual framework illustrating a theoretical relationship between access to finance, government policy and attrition.

The conceptual framework establishes access to finance as the exogenous variable, government policy as the moderating variable and attrition as the endogenous variable.

Figure-1. Conceptual Framework



4. Methodology

The population comprised of 80 failed textiles and 30 standing textile firms that were registered in the identified zones of Kano, Kaduna, Lagos, Aba and Onitsha. The sampling frame was obtained from the headquarters of the Nigerian Textile Association in Kaduna. The study population comprised of 66 failed and 30 standing firms (See Krejcie & Morgan Sample Size table). Triangulation method employing structured and unstructured questionnaires were supplemented with in-dept interviews (Nemaenzhe, 2010). The responses from the depth interview were used to validate responses from the questionnaire. In order to ensure both internal and external validity of the instruments, a pilot study was undertaken, and opinion of two experts in the textile department of Kaduna Polytechnic was sought, by vetting the instruments. For surveys, a small part of the sample, say 20 people should be contacted and interviewed (Monette *et al.*, 2002). In this study, a pilot test was carried out by administering a questionnaire on fourteen identified senior executives of failed firms and six identified senior executives of standing firms in Kaduna. The reliability of the instruments was further tested through the Cronbach's alpha method (Cronbach, 1951). A reliability co-efficient of 0.8 and above was considered adequate (Odhiambo, 2011; Orwa, 2015). A total of 356 questionnaires were distributed using a snowballing sampling technique to contact respondents and of this number a total of two hundred and thirty-two (232) questionnaire were duely completed and retrieved and were used for analysis.

5. Descriptive Analysis

5.1. Does Access to Finance Influence the Attrition of SME Textiles in Nigeria?

5.1.1. Introduction

Finance is the money required by a business for investment and as working capital (Karimunda and Baruwete, 2006). The specific objective studied is the influence of access to finance on the attrition of small and medium textile firms in Nigeria. The issues investigated in access to finance are: capital structure, financial management and collateral.

A detailed presentation and interpretation of the findings obtained from the study in respect of the three issues (3) investigated are highlighted accordingly.

5.1.2. Capital Structure and Attrition of SME textile

Table 1 presents the result of the findings which show that 91% of the respondents indicated that their textile firms were financed through owners' equity. In response to this particular question, 9% of the respondents said that they resorted to borrowing to finance their activities.

Table-1. Whether Capital Structure Influenced Attrition in SME Textiles

Question		Count	Column N %
What were the sources of finance to your firm?	Equity	212	91%
	Loans	20	9%
	Total	**232**	

The result in table 1 agrees with the views of Longenecker *et al.* (2002) who found out that majority of entrepreneurs with business strategies usually struggle alone with personal funds. Field interviews with entrepreneurs overwhelmingly support the result of this research and pointed out the inability to access other sources of finance as the main reason for their problems and attrition.

5.1.3. Financial Management and Attrition of Small and Medium Textiles in Nigeria

Table 2 reveals that all the respondents (100%) disclosed that company funds were spent as budgeted for.

Table-2. Whether Financial Management Influenced Attrition in SME Textiles

Question		Count	Column N %
Did your cash flow keep tabs on the company's regular expenses and income	Yes	232	100%
	No	0	
	Total	**232**	

This findings in table 2 is in conflict with what other researchers found. Gaskill *et al.* (1993) do not see such prudence on the part of some SMEs especially those controlled by family members. The researchers cited financial issues such as improper financial management as one of the causes of failure of SMEs. Contradicting the result further, Zarajczyk (2007) found from his investigation that some SMEs regard the business fund as their personal or family money. The finding is consistent with the findings of Egbide *et al.* (2013) which found that the major problems causing firm failure in Nigeria are; financial recklessness, ignorance of the available sources of finance and lack of management and skill support. A natural reticence to admit failure could therefore be the reason behind the questionnaire responses. The Small and Medium Enterprises Development Agency of Nigeria in its business development services has the responsibility to mount a capacity building workshop for SME owners and managers.

5.1.4. Collateral Security and Attrition of Small & Medium Textiles in Nigeria

The result from Table 3 reveals that 57% of the respondents ever applied for an investment loan from financial institutions. On the other hand, 43% of the respondents never applied for a loan. Out of the number that ever applied for a loan, only 10% of such applications were granted the facility, whilst 90% of those who applied were not granted.

Table-3. Whether Collateral or Security Influenced Attrition in SME Textiles

Question		Count	Column N %
Did you ever apply for an investment loans?	Yes	132	57%
	No	100	43%
	Total	**232**	
If yes, did you get the loan?	Yes	23	10%
	No	209	90%
	Total	232	
What did you pledge as security?	Landed property	23	100%
	Share certificate	0	
	Total	**232**	
Have you ever forfeited a pledged property	Yes	134	58%
	No	98	42%
	Total	**232**	

The results in table 3 are in line with the review of literature. Suh (2004) is of the view that without cash, no business can run. Entrepreneurs would therefore naturally seek for capital from different sources to realize their vision about their businesses. The fact is that at every stage of a business growth, the enterprise requires certain level of funding. As Nemaenzhe (2010) commented in support of this result, lack of access or unavailability becomes a hindrance and can lead to early exit of an enterprise.

5.1.5. Government Policy as a Moderating Variable

Table-4. Whether Institutional Framework Influenced Attrition in SME Textiles

Question		Count	Column N %
Did you consider the legal environment which the textile firm operated as favourable?	Yes	65	24%
	No	167	72%
	Total	**232**	

From table 4 72% of the sample did not consider the legal environment as favourable with only 24% agreeing that the legal environment was alright.

Table-5. Did Support Institutions Influence Attrition in SME Textiles

Question		Count	Column N %
Were you aware of institutions that provided support for SME textiles	Yes	52	22%
	No	180	78%
	Total	**232**	
Did you ever receive assistance from government to hedge you against foreign competition?	Yes	60	26%
	No	172	74%
	Total	**232**	

From table 5 78% of the sample never knew about the existence of institutions that provided support for SMEs; with only 22% saying they did know. Similarly, 74% of the sample never received any form of assistance from government, while 26% said they had.

Table-6. Trade Intervention

Question		Count	Column N %
Did you encounter any unfair trade practices by foreign countries that hurt your textile business	Yes	232	100%
	No	0	
	Total	**232**	
What is the form of unfair trade practices?	Tied selling	0	-
	Dumping	232	100%
	Total	**232**	

From table 6, the entire respondents 100% said they encountered unfair trade practices from foreign textile producers, as they all cited dumping as the form of unfair trading.

5.2. Integrated Inferential Analysis

5.2.1. Analyses of the Influence of Access to Finance on the Attrition of Small and Medium Textiles in Nigeria

The researcher sought to investigate the influence of Access to Finance on Attrition of Small and Medium Textile firms in Nigeria. The sub-independent variables of Access to finance tested are capital structure, financial management and collateral security. These are analysed in table 4. The statistical tools used for testing are correlation, ANOVA, Regression and trend analysis

Table-7. Correlations

		Attrition	Access to finance
Attrition	Pearson Correlation	1	-.735**
	Sig. (2-tailed)		.000
	N	232	232
Access to finance	Pearson Correlation	-.735**	1
	Sig. (2-tailed)	.000	
	N	232	232

**. Correlation is significant at the 0.01 level (2-tailed).

The analysis shows that the correlation between access to finance and the attrition of textiles industries in Nigeria is -0.735, implying a strong negative relationship between the access to finance and the attrition of textiles industries in Nigeria.

Figure-2. Scatterplot Dependent Variable

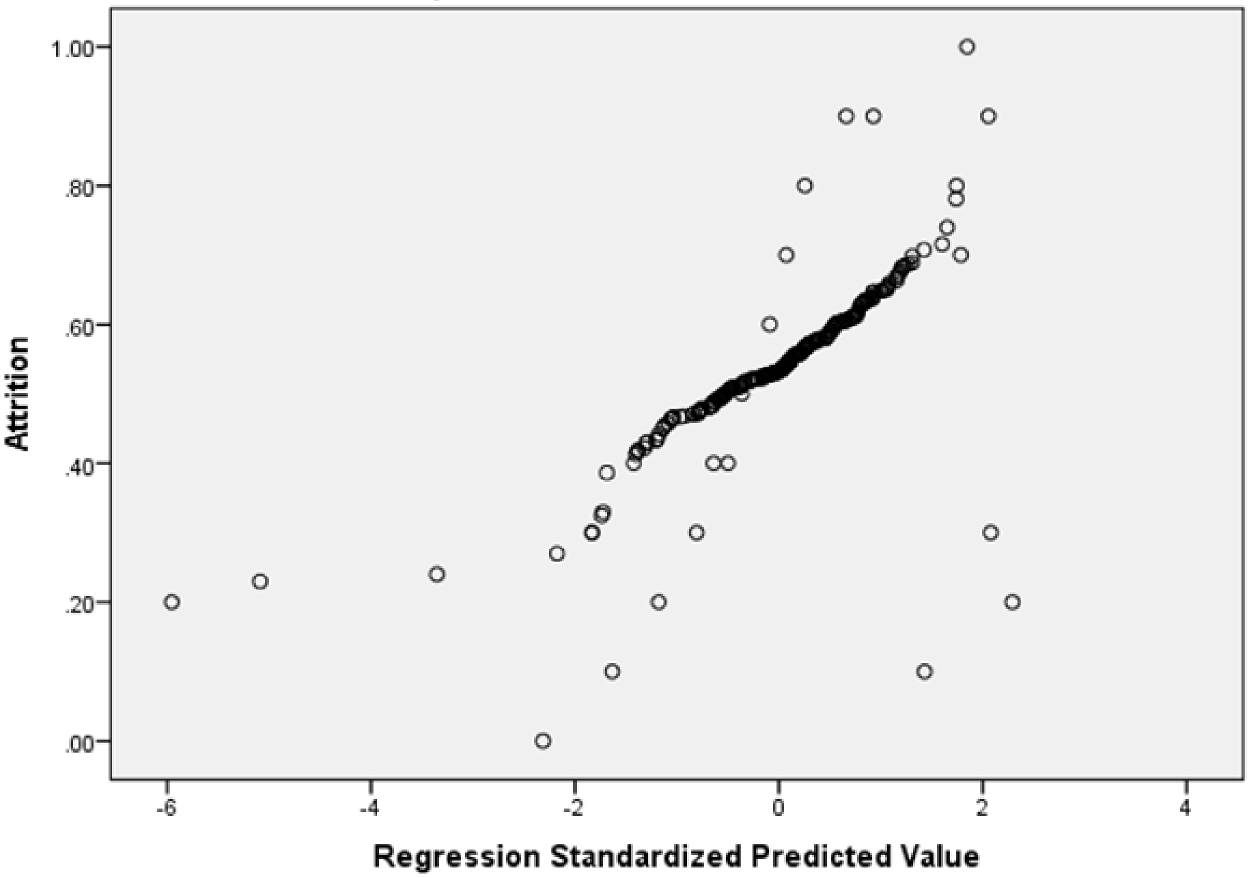


Table-8. Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.735[a]	.540	.538	.08332

a. Predictors: (Constant), Access to finance
b. Dependent Variable: Attrition

The analysis shows that the correlation between access to finance and the attrition of textiles industries in Nigeria is 0.735, implying a strong linear relationship between the access to finance and the attrition of textiles industries in Nigeria. The coefficient of determination R^2 is 0.540 indicating that 54% of the variation in the attrition of textiles industries in Nigeria is explained by access to finance.

Table-9. ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.873	1	1.873	269.877	.000[b]
	Residual	1.597	230	.007		
	Total	3.470	231			

a. Dependent Variable: Attrition
b. Predictors: (Constant), Access to finance

The table shows that the p-value of the ANOVA of this regression model (0.000) is less than 0.05 we therefore conclude that the model is significant and therefore fit for use

Table-10. Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.020	.030		34.395	.000
	Access to finance	-.781	.048	-.735	-16.428	.000

a. Dependent Variable: Attrition

$$y = 1.020 - 0.781 * x_4$$

The table shows that the linear relationship between access to finance and attrition of textile industries in Nigeria is $y = 1.020 - 0.781*x_4$. Where y is attrition of textile industries in Nigeria and x_4 is access to finance. The p-value of the slope of the model (0.000) is less than 0.05 we therefore reject H_{04} and conclude that access to finance has a significant role in the attrition of textile industries in Nigeria. The Negative sign of the slope in the model implies that lower access to finance is associated with high risk of attrition.

5.2.2. Correlation Analysis of Government Policy as a Mediating Variable

Correlation analysis is carried out to investigate the effect of government policy on the independent variable to determine if government policy is a mediating factor in the study.

Table-11. Correlations

	Government policy	
	R	Sig
Attrition	.008	0.11
Access to finance	-.010	.000

From Table 11 it shows that government policy is not a moderating factor between the independent variables, since the relationship between the government policy and the independent variables from the table is close to zero.

6. Conclusion

Raising capital requires some basic knowledge such as access to information about the sources of funds especially the need for adequate financial planning and the role of financial institutions. SME textiles require funds for investment and daily operations. The SME textiles were therefore constrained as seen from the result of the descriptive study. When information is scanty about sources of raising finance and the entrepreneur had to rely on his pocket, he has been denied funding at a critical stage giving way for attrition. The Federal government's concessionary finance as highlighted in the descriptive study did not work.

7. Recommendation

Since finance is very central to the sustenance of any business and textiles being not an exception, SME textiles need to actively take advantage of the many finance options available today. The most recent source is the Nigerian industrial bank, since textiles require heavy financial outlay, the focus should be on the bank.

Financial discipline needs to be practiced properly in order to distinguish between company funds and personal funds for proper financial accountability.

References

Abouzedan, A. and Busler, M. (2004). Typology analysis of performance models of small and medium size enterprises (SMEs). *Journal of International Entrepreneurship*, 2(3): 155-77.

Aguiyi, G., Ukaoha, K., Onyegbulam, L. and Nwankwo, O. (2011). *The comatose Nigerian textile sector impact on food security and livelihoods.* National Association of Nigerian Traders (NANTS).

Alvarez, S. and Busenitz, L. (2001). The entrepreneurship of resource based theory. *Journal of management,* 27(6): 755-75.

Anderson, A. and Miller, C. (2003). Class matters: human and social capital in the entrepreneurial process. *The Journal of Socio-Economics,* 32(1): 17-36.

Aremu, I. (2003). The national union of textiles garment and tailoring workers of Nigeria: The social relevance of trade unionism.

Ayo, C. K., O., A. J. and Oni, A. A. (2010). The state of e-banking implementation in nigeria: A post-consolidation review. *Journal of Emerging Trends in Economics and Management Sciences (JETEMS),* 1(1): 37-45.

Cronbach, L. (1951). Coefficient alpha and the internal structure of tests. *Psychometrika*, 16(3): 297-334.

Demirguc-Kunt, Asli and Inessa, L. (2006). Business environment and the incorporation decision. *Journal of Banking and Finance,* 30(11): 2967-93.

Egbide, B.-C., Faboyede, O. S. and Fakile, A. S. (2013). Empowering small and medium scale enterprises in nigeria: A key poverty alleviation strategy. *International Journal of Business and Management Invention,* 2(5): 6-12.

Fernandez, Z. (2006). Impact of ownership on international involvement of SME. *Journal of International Business Studies,* 28(2): 337–60.

Gaskill, L., Auken, H. E. and Manning, R. A. (1993). A factor analytic study of the perceived causes of small business failure. *Journal of Small Business Management*, 31(4): 18-31.

Inegbenebor, A. U. (2006). Financing small and medium industries in nigeria - case study of the small and medium industries equity investment scheme (Smieis): Empirical research findings. *Journal of Financial Management and Analysis,* 19(1): Available at: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=932519

Karimunda, M. and Baruwete, L. (2006). Financial statements and SMEs loan granting. Available at: http://umu.divaportal.org//smash/record/jsf?accessed12sept.2013

Longenecker, G., Moore, C. W. and Petty, W. (2002). *Small business management: An entrepreneurial emphasis.* 12th edn: South-Western College Publishers: 786.

Mensah, J. V. (2004). Small-scale industry as a sponge? Empirical survey in the geography. *Singapore Journal of Tropical Geography*, 26(2): 212-26.

Mohammed, M. (2011). Globalization crisis and national security: a reflection on Nigeria textile industry. *Jorind,* 9(1): 1-36.

Monette, D., Sullivan, T. and Defong, C. (2002). *Applied social research, tool for the human services.* 6th edn: Brooks, Cole, Victoria.

Myers, S. (1984). The capital structure puzzle. *The Journal of Finance* 39(3): 575-92.

Nemaenzhe, P. (2010). Retrospective analysis of failure causes in South African small business. PhD thesis, (University of Pretoria).

Obinna, O. E. O. (2009). Management of nigerian health care institutions: a cross sectional survey of selected health institutions in Abuja Nigeria. *Journal of Public Administration and Policy Research,* 1(4): 63-67.

Odhiambo, J. (2011). The relationship between working capital management and financial performance of deposit taking savings and credit co-operative societies licensed by sacco societies regulatory authority in nairobi county. Doctoral Thesis, (University of Nairobi, Kenya).

OECD (2013). Aid for trade and value chains in textile and apparel.

Orwa, B. H. (2015). An investigation of the impact of employee training and reward on performance at union des assurances de paris insurance (UAP) in Nairobi- Kenya. *International Journal of Education and Research,* 3(12): 401-16.

Oyelaran-Oyeyinka, B. (2013). FSS 2020 international conference SME. *Issues Challenges and Prospects*: Available at: www.cenbank.org/FSS/Wed/SME:Issues%challenges

Pasanen, M. (2003). *Search of factors affecting SME performance.* University of Kuopio: Kuopio.

Pretorius, M. (2008). Critical variables of business failure. A review and classification framework. *South African Journal of Economic and Management Sciences*, 11(4): 407–31.

Reimer, J. J. and Stiegert, K. (2006). Imperfect competition and strategic trade theory: Evidence for international food and agricultural markets. *Journal of Agricultural & Food Industrial Organization,* 4(1): 6.

Rogerson, C. M. (2007). Small enterprise development in South Africa's lagging regions: The case of mpumalanga province. *Urban Forum,* 18(1): 60-93.

Shane, S. and Venkataraman, S. (2000). The promise of entrepreneurship as a field of research. *Academy & Management Review,* 25(1): 217-26.

Shane, S. A. (2003). *A general theory of entrepreneurship: the individual-opportunity nexus.* Edward Elgar: Cheltenham, England.

Sheppard, J. (1995). A resource dependence approach to organizational failure. *Social Science Research,* 24(1): 26–62.

Spencer, B. and James, A. B. (2008). *Strategic trade policy, SN Durlauf and L. E. Blume, The New Palgrave Dictionary of Economics.* Palgrave Macmillan: Available at: http://www.dictionaryofeconomics.com/article?id=pde2008_S000300

Stoval, D. (2005). Five mistakes entrepreneurs make. *CPA Wealth Provider,* 38: 18A.

Suh, D. (2004). Who done it? Attributions by entrepreneurs and experts of the factors that cause and impede small business success. *Journal of Small Business Management*, 42(4): 364–76.

Swinnen, S., Voordeckers, W. and Vandemaele, S. (2005). Capital structure in SMEs: reaching order versus static trade-off. Bounded rationality and the behavioural principle. Available at: www.efmaegr.org/efma.2005

Thornhill, S. and Amit, R. (2003). Learning about failure bankruptcy, firm age and the resource based view. *Organization Science*, 14(5): 497-509.

Townsend, D., Busenitz, L. and Arthurs, J. (2010). To start or not to start: Outcome and ability expectations in the decision to start a new venture. *Journal of Business Venturing*, 25(2): 192-202.

Umar, A. (2008). Economic reform and nigerian textile industry (1999 – 2007) The “lessons and options” CABS National Conference.

Zahra, A. (2011). An empirical study on the causes of business failure in Iranian context. *African Journal of Business Management*, 5(17): 7488-98.

Zarajczyk, R. (2007). *An examination of small business failures. In business and policy studies.* State University of New York Empire State College: New York.