
The Impact of Microfinance Banks on the Development of Small Businesses in Bida Metropolis, Niger State, Nigeria

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ABSTRACT

Commercial banks in the past traditionally lend to medium and large enterprises which are judged to be credit-worthy. They avoided doing business with the poor and their micro enterprises because the associated costs and risks are considered relatively high. Today, many rural communities in Nigeria have one or more of this microfinance bank, and they have far more reaching implications for the entire socioeconomic development of rural communities in Nigeria. This paper examined the impacts of Microfinance Banks in the development of small business in Bida Metropolis. The methodology used was structured questionnaire used through likert scale rating in data collection. A total of Forty eight (48) questionnaires were administered to small business owners who are customers of EDUMANA, BEJIN and BAYETIN Microfinance Banks in Bida Metropolis but only forty two (42) questionnaires was returned. Findings revealed that Microfinance Banks in Bida Metropolis have the capability to influence the expansion capacity of small business in Bida Metropolis hence, having significant impact on the productivity of microfinance Banks. Recommendations were made for implementation which included the need to make adequate credit facility with low interest rate to enable sound development and success of small businesses in Bida Metropolis. Microfinance Banks should inform and sensitize small business owners on how to utilize their savings and educate them on the opportunities in the Micro financing industry.

Keywords: Small Businesses, Microfinance, Microcredit and Development

INTRODUCTION

Commercial banks traditionally lend to medium and large enterprises which are judged to be credit-worthy. They avoided doing business with the poor and their micro enterprises because the associated costs and risks are considered relatively high Anyanwu cited in Alani and Sani (2014). Today, many rural communities in Nigeria have one or more of this microfinance banks, and they have had far more reaching implications for the entire socioeconomic development of rural communities in Nigeria. It is worthwhile to note that lack of funds often caused the collapse of small businesses and the extinction of ingenious

The Impact of Microfinance Banks on the Development of Small Businesses in Bida Metropolis, Niger State, Nigeria

Ibrahim Abubakar Mikugi and Salihu Dere Ibrahim

ideas before they could be translated into reality. It is now widely believed that following government's policies on rural development, rural investment will be given a boost via microfinance banking as all efforts of our hardworking, but under-privileged masses would come to an end without this veritable institution. However, the idea behind microfinance banking is to encourage banking habits through among dwellers and their commitment to modern financial institutions within the rural environment. Thus, microfinance banking is supposed to be the machineries for financial and economic emancipation as its growth is connected with the community in which it serves. The latent capacity of the poor for entrepreneurial advancement would be significantly enhanced through the provision of microfinance services to enable them engage in economic activities and be more self reliant, increase employment opportunities, enhance household income and create wealth in the rural areas Okonjo, (2005).

Microfinance bank is a major source of financial services for entrepreneurs and small business lacking access to banking and related services. The two main mechanisms for the delivery of financial services to such clients are.

- Group based models, where several entrepreneurs come together to apply for loans and other services as a group.
- Microfinance is a broad category of services, which includes microcredit, provision of credit services to poor clients. The central bank of Nigeria guidelines for microfinance bank (MFB) stated that these institution can be establishes by individual groups of individual, community development association, private cooperate entities or by foreign investors.

Onafowokan (2011), researched on the impact of informal microfinance on rural enterprises using cross tabulation analysis, Pearson product moment correlation, chi square test and independent sample t-test. The results showed that members who had access to loan improved their businesses significantly through expansion of business facilities, addition of new product lines and hiring of more workers more than those without loan. Kudi, Odugbo, Banta, & Hassan, (2009), carried out their study on the impact of the UNDP Micro-finance Programme on the poverty status of farmers in selected local Government in Kaduna State. The data collected were analyzed using descriptive statistics, independent t-test and Cobb-Douglas production function model. The result of their analyses showed that the average income of participating farmers in the study was higher than those of non-participating farmers. Bida Metropolis is a less industrially develop area in Niger state Nigeria, most businesses are small size in nature despite they employed small number of workforce. The metropolis has in the past and now witnessed some number of

Microfinance Banks. Small businesses in Bida metropolis have benefited immensely from the activities of these microfinance Banks. This paper therefore intends to study the impact of Microfinance Banks in the development of small businesses in Bida Metropolis with the view of making recommendations for future policy implementation.

STATEMENT OF THE PROBLEM

The research studies the Impact of Microfinance Banks in the development of small business in Bida Metropolis. It is always argued that Micro Finance Banks do not have the capability to assist in the financial needs of small businesses and sometimes this has led to lack of productivity of these small businesses in Bida metropolis and beyond. Defaults in repayment of the loans and facilities granted on schedule to most businesses in Bida Metropolis constitute a major problem to the services rendered by Microfinance Banks. This is not without problem of collateral requirements as a major impending challenge confronting potential customers and small business operators in Bida Metropolis.

OBJECTIVE OF THE STUDY

As every other research work, this paper on the impact of Microfinance Banks in the development of small business in Bida metropolis is aimed to:

- i. Find out whether Microfinance Banks in Bida Metropolis has the capability to influence the expansion capacity of small business, and its significant effect on the level of productivity of small businesses.
- ii. Find out the level of financial assistant and contribution rendered by Microfinance Banks in Bida Metropolis and how has this affected their services.
- iii. Find out whether the Microfinance Banks in Bida Metropolis are providing savings mobilization as well timely and affordable services to small business development.

STATEMENT OF HYPOTHESES

Ho: Microfinance Banks in Bida Metropolis has no capability to influence the expansion capacity of small business in Bida Metropolis hence does not have significant impact on the level of productivity of small business in Bida Metropolis.

H1: Microfinance Banks in Bida Metropolis has capability to influence the expansion capacity of small business in Bida Metropolis hence does not have significant impact on the level of productivity of small business in Bida Metropolis

Ho: Microfinance Banks in Bida Metropolis are not providing, timely and affordable services to small businesses development in Bida.

H1: Microfinance Banks in Bida Metropolis are providing, timely and affordable services to small businesses development in Bida

The Impact of Microfinance Banks on the Development of Small Businesses in Bida Metropolis, Niger State, Nigeria

Ibrahim Abubakar Mikugi and Salihu Dere Ibrahim

Ho: Microfinance Banks in Bida metropolis have not help in mobilizing savings for small businesses development in Bida.

H1: Microfinance Banks in Bida metropolis have help in mobilizing savings for small businesses development in Bida.

LITERATURE REVIEW

Concept of Small Business and Microfinance

According to Ranjani (2012) small business are now recognized world-wide as key source of economic growth and development. Lawole, (2013) opined that small and medium scale enterprises play a very important role in a developing economy. This view appears to be supported by Chija and Forchu (2010) when they argue that the promotion of micro enterprises in developing countries is justified in their abilities to foster economic growth, alleviate poverty and generate employment. Defining small business has always been very difficult and controversial. The term "small business" covers a variety of firms Hertz, (1982) Nguyen and Beuehumeur, (1983) and it is used loosely in most of the literature. According to Peterson, Albaum and Kozmetsky (1986), a small business is one which is independently owned and operated and which is not dominant in its field of operation. Researcher and other interested parties have used specific criteria to operationalise the small business, from the perspective of value added, value of assets, annual sales and number of employees. Annual sale and number of employee are most often used to delimit the category. The problem of definition confronts all researchers as well as operator in the field. Oshagbemi, (2000) has defined small businesses as those whose scale of operation is less than the average for industry. Kayode (2000) define small scale business as any business whose need for equity and loans capital are two small to interest investment from banks or capital market.

CONCEPT OF MICROFINANCE

Microfinance is the provision of financial services adapted to the needs of low income people such as micro-entrepreneurs, especially the provision of small loans, acceptance of small savings deposits, and simple payment services needed by micro-entrepreneurs and other poor people USAID, (2001). It is the provision of financial service to the economically active poor who are wilder to un-served by the mainstream financial service provider. Microcredit is commonly defined in terms of loan amount as a percentage of average per capital income. In the context of Nigeria, with a per capital GDP of ₦42,000 labour \$300 in 2003 loan up to ₦50,000 about/approximately \$350 would be regarded as micro loans while micro savings are define as savings account with a balance of less than ₦8,400 labour that is less than 20% of the averages annual income per capital USAID, (2004). The central bank of Nigeria CBN, (2005) defined microfinance as the provision of financial services to the economically

active poor and low income households these services includes credit, savings, microloan. Micro-insurance and payment transfer, to enable them to engage in income generating activities. In another contribution Ojo (2007) define microfinance as small financial service that are provided to rural/informal small scale operator for framing fishing, trading and building of houses and to engage in any other productive and distributive activities . Microfinance and micro financial institution are intended to fill a definite gap in the financial market and the financial system respectively, to assist the financing requirement of some neglected groups who are unable to obtain finance from the formal financial system. These neglected groups that constitute the target users of such microfinance services are mainly in the informal sector of the economy and are predominately engaged in small scale farming, commercial/trading and industrial activities.

ROLE OF MICROFINANCE BANKS

In promoting small business development microfinance banks play the roles of financial assistance in form of short and medium term loans to small business.

1. The short term loans are credit granted to small scale for a short period not exceeding a year such loans could be used to a acquire an asset to engage in a micro business.
2. Microfinance bank plays the information role by providing useful information on current banking regulation to their customer. They serve as an important channel of transmitting information to the customer from government and other monetary agencies.
3. Investment promotion role: because of the specialized and professional status of many of the bank and other financial institution they are in a position to play investment promotion roles of entrepreneurs, such role may include management of investment for customer and giving of loans to promote business.
4. Financing role, various methods by which bank can lend money to small scale business is to make available loans for them. Ademola (2010) stated that getting funds for your business is one of the survival strategy needed for small business to succeed.

RESEARCH METHODOLOGY

Structured questionnaire was used to elicit response from the respondents. The population of the study comprises customers of three (3) Microfinance banks in Bida Metropolis. The Microfinance Banks covered are BEJIN Microfinance Bank, BAYETIN Microfinance Bank, EDUMANA Microfinance Bank. Collection and analysis of data was done through Likert Scale Rating Method. A total of forty eight (48) questionnaires were administered to small business owners in Bida Metropolis but only twenty forty two (42) questionnaires was returned.

The Impact of Microfinance Banks on the Development of Small Businesses in Bida Metropolis, Niger State, Nigeria

Ibrahim Abubakar Mikugi and Salihu Dere Ibrahim

The respondents were advised to indicate in the questionnaire the extent they agree or disagree to the statements made.

DATA ANALYSIS AND INTERPRETATION

Table 1: Microfinance Banks in Bida Metropolis does not provide adequate financial assistance required by Small businesses in Bida

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	5	11.9	11.9	11.9
Agree	13	31.0	31.0	42.9
Undecided	7	16.7	16.7	59.5
Disagree	8	19.0	19.0	78.6
Strongly Disagree	9	21.4	21.4	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

From 1 above, about 11.9% of the respondents strongly agree that microfinance banks in Bida metropolis does not provide adequate financial assistance required by small business in Bida, 31.0% of the respondents also agree, 16.7% undecided, 19.0% disagree, while 21.4% of the respondents strongly disagree that microfinance banks in Bida metropolis does not provide adequate financial assistance required by small business in Bida.

Table 2: Microfinance Banks in Bida have not provided useful information regarding Banking regulation to small businesses in Bida

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	3	7.1	7.1	7.1
Agree	5	11.9	11.9	19.0
Undecided	5	11.9	11.9	31.0
Disagree	10	23.8	23.8	54.8
Strongly Disagree	19	45.2	45.2	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

Table 2 above reveals that about 3 respondents representing 7.1% strongly agree that microfinance banks in Bida have not provided useful information regarding banking regulation to small business in Bida, 11.9% of the respondent also agree, 23.8% disagree, 45.2% strongly disagree while 11.9% of the respondent are inconclusive whether microfinance banks in Bida have provided useful information regarding banking regulation to small business in Bida or not.

Table 3: The credit facilities granted are not adequate to sustain the productivity of small businesses in Bida Metropolis

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	12	28.6	28.6	28.6
Agree	13	31.0	31.0	59.5
Undecided	5	11.9	11.9	71.4
Disagree	6	14.3	14.3	85.7
Strongly Disagree	6	14.3	14.3	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

Table 3 shows that about 28.6% of the respondent strongly agree that the credit facilities granted are not adequate to sustain the productivity of small business in Bida metropolis, 31.0% also agree, 11.9% undecided, 14.3% disagree while 14.3% of the respondent also strongly disagree that the credit facilities granted are not adequate to sustain the productivity of small business in Bida metropolis.

Table 4: Microfinance Banks in Bida are not assisting small businesses in their expansion

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	6	14.3	14.3	14.3
Agree	4	9.5	9.5	23.8
Undecided	5	11.9	11.9	35.7
Disagree	17	40.5	40.5	76.2
Strongly Disagree	10	23.8	23.8	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

Table 4 reveals that about 14.3% of the respondent strongly agree that microfinance banks in Bida are not assisting small business in their expansion, 9.5% of the respondent agree, 11.9% undecided, 40.5% disagree as well as 23.8% of the respondent that strongly disagree that microfinance banks in Bida are not assisting small business in their expansion.

The Impact of Microfinance Banks on the Development of Small Businesses in Bida Metropolis, Niger State, Nigeria

Ibrahim Abubakar Mikugi and Salihu Dere Ibrahim

Table 5: Microfinance Banks in Bida delay the release of funds to Small businesses in Bida Metropolis

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	6	14.3	14.3	14.3
Agree	10	23.8	23.8	38.1
Undecided	7	16.7	16.7	54.8
Disagree	11	26.2	26.2	81.0
Strongly Disagree	8	19.0	19.0	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

From table 5 above, it is revealed that 14.3% of the respondent interviewed strongly agree that microfinance banks in Bida delay the release of funds to small businesses in Bida metropolis, 23.8% agree, 16.7% undecided, 26.2% disagree while 19.0% of the respondent strongly disagree that microfinance banks in Bida delay the release of funds to small businesses in Bida metropolis.

Table 6: Microfinance Banks in Bida Metropolis condition for giving credit facilities to small businesses are stringent and not affordable.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	5	11.9	11.9	11.9
Agree	5	11.9	11.9	23.8
Undecided	4	9.5	9.5	33.3
Disagree	16	38.1	38.1	71.4
Strongly Disagree	12	28.6	28.6	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

Table 6 above shows that about 11.9% of the respondents strongly agree that microfinance banks in Bida metropolis condition for giving credit facilities to small businesses are stringent and not affordable, 11.9% also agree, 38.1% of the respondent disagree, while 28.6% of the respondent strongly disagree that microfinance banks in Bida metropolis condition for giving credit facilities to small business are stringent and not affordable.

Table 7: Small businesses in Bida metropolis are not ready to do business with the Microfinance banks because of the poor services rendered

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	4	9.5	9.5	9.5
Agree	5	11.9	11.9	21.4
Undecided	6	14.3	14.3	35.7
Disagree	17	40.5	40.5	76.2
Strongly Disagree	10	23.8	23.8	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

In table 7 above, about 9.5% of the respondents strongly agree that small businesses in Bida metropolis are not ready to do business with the Microfinance Banks because of the poor service rendered, 11.9% of the respondent also agree, 14.3% undecided, 23.8% strongly disagree while 40.5% of the respondent disagree that small businesses in Bida metropolis are not ready to do businesses with the Microfinance banks because of the poor services rendered.

Table 8: The interest charges on credit facilities are too high for the small business development in Bida metropolis

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	4	9.5	9.5	9.5
Agree	8	19.0	19.0	28.6
Undecided	7	16.7	16.7	45.2
Disagree	15	35.7	35.7	81.0
Strongly Disagree	8	19.0	19.0	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

Table 8 shows that about 9.5% of the respondent strongly agree that the interest charges on credit facilities are too high for the small business development in Bida metropolis, 19.0% also agree, 16.7% undecided, 35.7% disagree, while 19.0% of the respondents strongly disagree that the interferes charges on credit facilities are too high for the small business development in Bida metropolis.

The Impact of Microfinance Banks on the Development of Small Businesses in Bida Metropolis, Niger State, Nigeria

Ibrahim Abubakar Mikugi and Salihu Dere Ibrahim

Table 9: There is no relationship between the microfinance Banks services and the economy of small businesses in Bida Metropolis

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	5	11.9	11.9	11.9
Agree	6	14.3	14.3	26.2
Undecided	3	7.1	7.1	33.3
Disagree	16	38.1	38.1	71.4
Strongly Disagree	12	28.6	28.6	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

From table 9 above, about 11.9% of the respondent strongly agree that there is no relationship between the microfinance banks services and the economy of small businesses in Bida metropolis, 14.3% of the respondents also agree, 38.1% disagree, 28.6% also disagree while 7.1% of the respondents are inconclusive whether there is relationship between the microfinance banks services and the economy of small businesses in Bida metropolis.

Table 10: Small businesses in Bida do not have enough money to save with Microfinance Banks in Bida Metropolis

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	4	9.5	9.5	9.5
Agree	10	23.8	23.8	33.3
Undecided	9	21.4	21.4	54.8
Disagree	7	16.7	16.7	71.4
Strongly Disagree	12	28.6	28.6	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

In table 10 above, about 9.5% of the respondents strongly agree that small businesses in Bida does not have enough money to save with microfinance banks in Bida metropolis, 23.8% also agree, 21.4% undecided, 16.7% disagree while 28.6% of the respondent strongly disagree that small business in Bida does not have enough money to save with microfinance bank in Bida metropolis.

Table 11: Microfinance Banks in Bida have not improved the saving habit of the small business operators in Bida Metropolis

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	4	9.5	9.5	9.5
Agree	5	11.9	11.9	21.4
Undecided	12	28.6	28.6	50.0
Disagree	13	31.0	31.0	81.0
Strongly Disagree	8	19.0	19.0	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

Table 11 reveals that about 9.5% of the respondent strongly agree that microfinance banks in Bida have not improved the saving habit of the small business operators in Bida metropolis, 11.9% of the respondent also agree, 28.6% undecided, 31.0% disagree while 19.0% of the respondents strongly disagree that microfinance banks in Bida have not improved the saving habit of the small business operators in Bida metropolis.

Table 12: Savings made with Microfinance Banks has not yielded much economic value among the small business in Bida Metropolis

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	5	11.9	11.9	11.9
Agree	11	26.2	26.2	38.1
Undecided	7	16.7	16.7	54.8
Disagree	10	23.8	23.8	78.6
Strongly Disagree	9	21.4	21.4	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

About 11.9% of the respondent strongly agree that saving made with microfinance banks has not yielded much economic value among the small business in Bida metropolis, 26.2% agree, 16.7% undecided, 23.8% disagree while 21.4% of the respondent strongly disagree that savings made with microfinance Banks has not yielded much economic value among the small business in Bida metropolis.

The Impact of Microfinance Banks on the Development of Small Businesses in Bida Metropolis, Niger State, Nigeria

Ibrahim Abubakar Mikugi and Salihu Dere Ibrahim

Table 13: Microfinance Banks in Bida Metropolis have not mobilize enough savings to help in the development of small businesses

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	5	11.9	11.9	11.9
Agree	12	28.6	28.6	40.5
Undecided	7	16.7	16.7	57.1
Disagree	9	21.4	21.4	78.6
Strongly Disagree	9	21.4	21.4	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

Table 13 shows that about 11.9% of the respondents strongly agree that microfinance banks in Bida metropolis have not mobilize enough savings to help in the development of small businesses, 28.6% of the respondents also agree, 21.4% disagree, 21.4% also strongly disagree while 16.7% of the respondents are not sure whether microfinance banks in Bida metropolis have mobilize enough savings to help in the development of small business or not.

Table 14: Microfinance Banks in Bida metropolis does not encourage the small businesses in Bida towards daily contribution to boost their business

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	4	9.5	9.5	9.5
Agree	5	11.9	11.9	21.4
Undecided	4	9.5	9.5	31.0
Disagree	16	38.1	38.1	69.0
Strongly Disagree	13	31.0	31.0	100.0
Total	42	100.0	100.0	

Source: Questionnaire Administered (2015)

Table 14 above reveals that about 9.5% of the respondent strongly agree that microfinance banks in Bida Metropolis does not encourage the small business in Bida towards daily contribution to boost their business, 11.9% of the respondents also agree to the fact, 9.5% undecided, 38.1% disagree while 31.0% of the respondents strongly disagree that microfinance banks in Bida metropolis does not encourage the small businesses in Bida towards daily contribution to boost their business.

HYPOTHESIS TESTING

HYPOTHESIS ONE

- Ho:** Microfinance Banks in Bida Metropolis has no capability to influence the expansion capacity of small business in Bida Metropolis hence does not have significant impact on the level of productivity of small business in Bida Metropolis
- H1:** Microfinance Banks in Bida Metropolis has capability to influence the expansion capacity of small business in Bida Metropolis hence does not have significant impact on the level of productivity of small business in Bida Metropolis

**Chi-Square Test
Frequencies**

	Observed N	Expected N	Residual
Strongly Agree	6	8.4	-2.4
Agree	4	8.4	-4.4
Undecided	5	8.4	-3.4
Disagree	17	8.4	8.6
Strongly Disagree	10	8.4	1.6
Total	42		

Test Statistics

Chi-Square ^a	13.476
df	4
Asymp. Sig.	.009

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 8.4.

Interpretation

Since $p - sig (0.009) < 0.05$, we reject the null hypothesis and hence conclude that microfinance banks in Bida metropolis has capability to influence the expansion capacity of small business in Bida metropolis hence, have significant impact on the level of productivity of small business in Bida.

HYPOTHESIS TWO

- Ho:** Microfinance Banks in Bida Metropolis are not providing, timely and affordable services to small businesses development in Bida
- H1:** Microfinance Banks in Bida Metropolis are providing, timely and affordable services to small businesses development in Bida

The Impact of Microfinance Banks on the Development of Small Businesses in Bida Metropolis, Niger State, Nigeria

Ibrahim Abubakar Mikugi and Salihu Dere Ibrahim

**Chi-Square Test
Frequencies**

	Observed N	Expected N	Residual
Strongly Agree	5	8.4	-3.4
Agree	5	8.4	-3.4
Undecided	4	8.4	-4.4
Disagree	16	8.4	7.6
Strongly Disagree	12	8.4	3.6
Total	42		

Test Statistics

Chi-Square ^a	13.476
df	4
Asymp. Sig.	.009

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 8.4.

Interpretation

Since $p - sig (0.009) < 0.05$, we reject the null hypothesis and hence conclude that microfinance banks in Bida metropolis are providing, timely and affordable services to small businesses development in Bida.

Ho: Microfinance Banks in Bida metropolis have not help in mobilizing savings for small businesses development in Bida

H1: Microfinance Banks in Bida metropolis have help in mobilizing savings for small businesses development in Bida

**Chi-Square Test
Frequencies**

	Observed N	Expected N	Residual
Strongly Agree	5	8.4	-3.4
Agree	12	8.4	3.6
Undecided	7	8.4	-1.4
Disagree	9	8.4	.6
Strongly Disagree	9	8.4	.6
Total	42		

Test Statistics

Chi-Square ^a	3.238
df	4
Asymp. Sig.	.519

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 8.4.

Interpretation

Since $p - sig (0.519) > 0.05$, we do not reject the null hypothesis and hence conclude that Microfinance Banks in Bida metropolis have not significantly help in mobilizing savings for small businesses development in Bida Metropolis.

CONCLUSION

The idea behind microfinance banking is to encourage banking habits among rural dwellers and their commitment to modern financial institutions within the rural environment which small businesses in Bida Metropolis are not exceptional. From the findings of this paper, it can be concluded that Microfinance Banks in Bida Metropolis have the capability to influence the expansion capacity hence, having significant impact on the productivity of microfinance Banks

RECOMMENDATIONS

Based on the data analysis and test of hypothesis, the following recommendations are put forward for further implementation.

- Microfinance Banks in Bida metropolis should intensify more effort in savings mobilization for the development of small businesses.
- There is the need for Microfinance Banks in Bida Metropolis to provide timely and affordable service to small businesses since most of respondent strongly disagree that timely and affordable services are provided.
- Microfinance Banks in Bida should endeavor to release funds to the potential business operators without much delay since most of respondents strongly agree that release of funds are normally delayed.
- There is the need to make adequate credit facility with low interest rate to enable sound development and success of small businesses in Bida Metropolis.
- Microfinance Banks should inform and sensitize small business owners on how to utilize their savings and educate them on the opportunities in the microfinance industry.

The Impact of Microfinance Banks on the Development of Small Businesses in Bida Metropolis, Niger State, Nigeria

Ibrahim Abubakar Mikugi and Salihu Dere Ibrahim

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The Impact of Microfinance Banks on the Development of Small Businesses in Bida Metropolis, Niger State, Nigeria

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