Lafia Journal of Economics and Management Sciences: Volume 8, Issue 2; 2023
ISSN: 2550-732X
Published by Department of Economics, Federal University of Lafia, Nigeria

Financial Literacy Impact and the Micro and Medium Scale Enterprises Profitability Owned by Students in Nasarawa State

Bamidele Sunday Mogaji[1] & Samson Okpanachi Daniel[2]
[1]Bursary Department, Federal University of Lafia, Lafia-Nigeria
[2]Department of Accounting, University of Jos, Jos-Nigeria
Corresponding Email: talk2sonydelex@gmail.com

Abstract
The study investigated on the financial literacy's impact, and financially mental attitude and behaviour implicate the students owned' profitable business Micro and Small Enterprises (MMSE's) in Nasarawa State University Keffi. The target population for this study was the estimated population of 100 MSE's owned by students in the institution. Almost 60 respondents were chosen through simple random sampling technique in order to have sample size in the study. Primary data was used as a source of data to answer the research questions through distribution of questionnaires to respondents. The result showed that that financial knowledge does not significantly affect profitability. But, the MMSE's profitability owned by students has significantly affected by financial behavior and attitude. The study recommends that government organisations, in collaboration with micro, medium and large deposit money institutions, could process financially educational programmes for enhancing mental know-how within the gaps in the market in terms of funding effectiveness to new enterprises. This will inspire MSEs to expand and grow in areas where they now lack. Financially educational programmes would be benefitted for firms' expansion and socio-economic growth, as MSEs contribute significantly to the economies in which they exist.

Keywords: Financial Literacy, Micro and Medium Scale Enterprises, Profitability
JEL Classification Codes: G53, G54, G55

1. Introduction

Financial literacy is defined as a broad range of financial schemes for knowledge and awareness in relation to managing one's own finances, earning money, and investing. Micro, Small and Medium Enterprises

(MSMEs) are businesses having assets bases that flow in-between defined boundaries (Tyson, 2018). According to the Bank of Industry (2015), Micro, Small and Medium Enterprises are enterprises that have over 200 personnel and over ₦500 million. In fact, literacy of finance is significant for Micro and Medium Scale Enterprises since it provides owners with the tools they need to properly manage and expand their businesses (Cote, 2020).

The literacy of finance is mastering attitudinal behaviors, an individual's effort needed to have educated and efficient decision-makings about money management usage (Nkundabanyanga & Kasozi, 2014). The effectiveness and responsibility for financial management matters are the in-built trait of a person towards reading, analyzing, managing, and explaining financially personal economic conditions that affected financial health, options, funding and fiscal difficulties discussed outside feeling awkward in order to take functional enabling mankind in making accountable resolution in their pursuit of financial well-being (Ani, Kelmara, & Wesley, 2016).

The today's changing economic complication has made literacy of finance to be more crucial to operational businesses and commercial enterprises. Atkinson and Messy (2012) stated that the governments are everywhere searching for methods to develop financial education policies, within the main objective being to provide a range of educational opportunities to raise the general public's level of literacy of finance. Ani *et al.,* (2016), educational finance is the process for improving the ability of populace in making intelligent decisions as well as managing their resources successfully. Based on this argument, educational finance is informative thought that, alongside with other factors, leads to financial literacy.

In modern day, financial literacy is a life trait prerequisite to wise financial behavior so that society, and state's economy and finance would now be stable and wise as basis, and many countries have developed implementation strategies to improve financial literacy in their populations (Tali, 2016). Klapper, Lusardi, and Peter (2016) polled people in over 100 countries. They discovered that around almost 3.5 billion people around the globe, living within the emerging economy, did not comprehend the rudimental principles of finance. The Europe countries especially United Kingdom, Norway, Canada, Australia, Denmark, Germany, Israel, Finland, Sweden, and Netherlands have greatest literacy of finance around the world with approximately above 65% (Leora, Lusardi, & Peter, 2015).

In financial market, the increment of complexity and increasing costs of living as well as paradise shift of pension responsibility to individual is now becoming more alarming because financial literacy is becoming more popular in developed countries (Refera, Dhaliwal, & Kaur, 2016). Additionally, research showed a recent slight increase in financial literacy in emerging nations, which demonstrated hopeful results of ongoing literacy of finance and another initiative in less developed African nations. Nevertheless, availability of little informative education regarding literacy of finance levels and status from the survey result in Sub-Saharan Africa (Xu & Zia, 2012) reported worldwide with their indication that some West and East African nations are lagging awareness of fundamental financial principles, products and conceptual skills on account and interest savings, and insurance and as well as advances and loans. This illustrates that lagging behind literacy of finance has a direction for lagging of financial involvement in African continent.

The potential profitability of a company is to earn revenues over a specified period of time at given turnover, properties and working capital as well as shareholders' funds (Margaretha & Supartika, 2016). Understanding the elements that influence profitable businesses is to look forwards the critical assistance to aligning the managers in formulating the effectiveness of planning that results to company's profitability. The effectiveness of corporate governance, strategic marketing that bring product quality assurance, positioning are varieties of Profitability practices in order to build and create core advantages such as research and development, customer relationship and loyalty, as well as financial and accounting management practices as a strength and opportunity for planning, organizing, and coordinating as well as controlling financial operations to attain organizational objectives and goals.

Over years, the Nigerian governmental agencies have recognized the significance of MSEs by bring employment opportunities to alleviate poverty in Nigeria, which the outcome established and promoted the policies that assisted to improve commercial enterprises' growth. Niwaha, Schmidt, and Tumuramye (2016) studied financial literacy's effect and performance of MSE through profitability and growth revealed a lack of literacy of finance's lack between the populace throughout the globe caused the failure of operational business. Similarly in Kenya, the literacy of finance's role, management of cash, budgeting funds, recording and keeping savings are important factors on the and women-ownership businesses' profitability (Kalekye & Memba, 2015). Although, the emphasis brought from educational finance value in developing capacities in facilitating daily operations of firms. The financial literacy and small businesses growth found almost all MSE managing personnel to have not comprehended the interest and inflation rates' impact on advance and loans borrowed to match assets and liabilities, despite their general understanding of debt management literacy. They went on to say that because of their low bookkeeping literacy, managers had little to no growth.

Literacy of finance and SMEs' managers was to discover very few managing personnel employed have proper skills of ratios and ratio analysis, and that the managers interviewed had very little basic financial comprehension. He went on to say, "they manage the liquidity of the firms in a spontaneous manner and are unaware of the intangible values of their companies". However, SMEs may prosper without having a solid understanding of finance (Plakalovi, 2015).

The majority of financial literacy researches such as that of Abiodun (2016); Densil (2010) and Grohmann, Menkhoff, and Storck (2015) have been done on personal finance, with little attention paid to how it relates to management of business, which viewed the relationship between individual and household finance, and literacy of book-keeping, banking services. Nevertheless, this study would fill the gap by focusing on different parameters of knowledgeable, behavioral and attitudinal finance and how its impact on MSE's profitability, in contrast to other research that concentrated on a small number of aspects of managers' financial behavior.

The following are the specific objectives which are to;

i. Investigate the knowledgeable finance impact and micro and medium scale enterprises' profitability.

ii. Determine the behavoural finance impact and micro and medium scale enterprises' profitability.

iii. Determine the attitudinal finance impact and micro and medium scale enterprises' profitability.

2. Review of Related Literatures

2.1 Conceptual Review

2.1.1 Concept of Financial Literacy

Financial literacy is defined as a broad range of financial schemes for knowledge and awareness in relation to managing one's own finances, earning money, and investing. Micro, Small and Medium Enterprises (MSMEs) are businesses having assets bases that flow in-between defined boundaries (Tyson, 2018). Financial literacy refers to an informative skill necessary for an individual to function effectively in monetary economic industry to put formal decision-makings for someone family's circumstances. The emerging and developed economies are now discussion topic by the entrepreneurial ownership and operational business owners as literacy of finance (Hilgert Hogarth, & Beverly, 2003), which enhances people to respond successfully and constantly to change the people, society and economy. Success and failure of a company is one of the main predictor to measure financial literacy. As a result, many countries have established the examination and assessment of work-groups for citizens' literacy development of finance (Alessie, Van, & Lusardi, 2011).

Correlation level depicted between literacy of finance and financial sustainability trend for SMEs had unclear casualty (Hilgert Hogarth, & Beverly, 2003), where lack and poor literacy of finance, insufficient business acumen undermined the entrepreneurial operational performance of most SMEs firms to bankruptcy (Bosma & Harding, 2006). Basu (2005) defined financial literacy as the effort applied to trait about financial funds and goods to make fiscal decisions and help people make wise financial management decisions. It comprises the capacity to reach wise fiscal decision-makings by putting forward well prudent judgmental information (Worthington, 2005). Organisation for Economic Co-operation and Development [OECD] (2005) argued that financial literacy is the ability of shareholders (investors) and customers to carry out financial risk management since they have financial products and conceptual knowledge to make effective decisional and operational activities in order to enhance their financial status so that essential and important financial issues and behaviors that enhance efficient management of financial endowments (Hilgert, Hogarth, & Beverly, 2003). Also, the essence of interest types, risks on investment and diversification of investment, is essentially understood.

As a result, the provisions of capability required are importantly comprehended in terms of different fundamental investments, principles and strategic saving skills, which assist to appreciate fund and financial obstacles in producing sound financial decision-making for financial managerial and administrative offices (Greenspan, 2001). The competency of people on daily financial health has been responded through financial literacy, which assists them to know the financial market collapse, increasing unemployment rate and inflationary trend threat (Hilgert, Hogarth, &Beverly, 2003). The empowerment of people through financial literacy makes them to confidently and certainly decide on trivial issues, which not only avoid downfall but also improve them to take an appropriate formal actions foe present and future conditional references (OECD, 2009). Some of the essential ideas of financial literacy include numeracy and arithmetic, understanding fiscal systemic activities, knowing hazards of financial decision-makings. Financial and fundamental knowledgeable fund management, savings, reinsurance, and literacy investment are general indicators of literacy of finance (Rooij, Lusardi, & Alessie, 2007). Due to this, Mandell (2008) emphasized that the increment in literacy of finance assist organizations to achieve many of their objectives and goals.

2.1.2 Concept of Micro and Small Enterprises

Micro and Small Medium Enterprises (MSMEs) are defined as a capital invested size, employees' number, turnover of business, style of managerial setup and location, and share-value of market (Wairimu & Mwilaria, 2017). The provision of employment to not lesser than ten was a definition of MSMEs by Third National Development Plan in year (1975-1980) (Taiwo, Ayodeji & Yusuf, 2012). However, MSMEs are sometimes defined as businesses with a fixed asset and capital of less than $60,000 and the capacity to employ 50 workers. Furthermore, a SMEs is defined as companies earnings revenue of N2,000,00 and deduction of liabilities from total assets (net assets) of N1,000,000 (Taiwo, Ayodeji, & Yusuf, 2012). SMEs represent some economic growth and development segment and largest employers of labours, which provide job opportune to almost all households in order to stabilize the standard of living (Aga, Francis, & Rodriguez-Meza, 2015; Kamunge, Njeru, & Tirimba, 2014; Palmarudi & Agussalim, 2013).

Daniel (2015) asserted that MSMEs are defined as businesses with less than ten employees, most of whom are family members, with less than Kshs. 500,000 as annual revenue. Majorly, MSMEs are established in an unconventional sector with an organized business between ten and fifty operational employees earning within the range of annual revenue earnings (Kshs. 500,000 - Kshs. 5 million or Kshs. 5 million - Kshs. 800 million).

Globally, SMEs operationally established in the same method and features, and bear almost similar shortcomings but separate ways of comprehending on how its contributions have impact on economic growth and development (Kongolo, 2010). In African operation, SMEs are highly having hostility and challenging operational conditions compared to their developed counterpart around the globe (Hatch & Cunliffe, 2012), which increment in taxes, high level of inflationary rates, instability exchange rates and others are discouraging factors to SMEs in African nations (Olawale and Garwe, 2010). Meanwhile, competitive advantage from conventional firms and technological advancement reduce the productivity of SMEs in emerging industrial settings Ocioo, Akaba, & Worwal-Brown, 2014).

2.2 Theoretical Review

2.2.1 Theory of Knowledgeable Spill-Over

The new knowledgeable creation has broadened the some technical possibilities, which entrepreneurial activities entail not only the merchandised advantages but also the inter-secular knowledgeable extraction overflow that the immediate organisations might have not seized.

Instead of exogenously assumed enterprises, the theory's generality has to focus on new knowledgeable creation of single agent endowments in order to align with economic growth model as a unit. Endogenous knowledge exploitation is pursued by agents with new knowledge. This implies that knowledge spillover results from a stock of knowledge, and strong relationship with overflow and ownership action in terms of immediate operational businesses retained, research and development leases (Zoltan, 2008).

2.2.2 Theory of Behavioural and Literacy of Finance

The competency of people on daily financial health has been responded through financial literacy, which assists them to know the financial market collapse, increasing unemployment rate and inflationary trend threat, which all these can be managed through management cashflow, credit risk management, sound savings and investment management practices (Hilgert, Hogarth, &Beverly, 2003). Organisation for Economic Co-operation and Development [OECD] (2005) argued that financial literacy is the ability of shareholders (investors) and customers to carry out financial risk management since they have financial products and conceptual knowledge to make effective decisional and operational activities in order to enhance their financial status so that essential and important financial issues and behaviors that enhance efficient management of financial endowments in order to maintain self-control on financial judgments (Hilgert, Hogarth, & Beverly, 2003).

2.3 Empirical Review

Mabel (2022) conducted a research on literacy of finance and behavioural finance of micro and small enterprises in Sunyani Municipality, Ghana. The research investigated the relationship between literacy of finance and behavioural finance of micro and small enterprises in Ghana. The results showed comparison between individuals with lower levels of knowledgeable finance, owners and MSEs managerial officers, which highly knowledgeable level of financial literacy would have led by sound behavioural of finance and favourable and attitudinal finance. It was recommended that MSEs should pursue and empower wise financial decision-making requirement on sound financial behavior and attitudinal finance. Financial education must once again be a part of any policy aimed at the expansion and development of MSEs, as it is the foundation for responsible financial behavior, which enhances entrepreneurs and managerial staffs.

John (2022) researched on financial literacy and performance of finance on Micro, Small and Medium Enterprises. The research investigated financial literacy and performance of finance on Micro, Small and Medium Enterprises. The findings of the study implied that financial literacy had significantly positive effect on the financial performance of MSMEs. Moreover, poor access to bank financing was found to be the major problem impeding the expansion and growth of MSMEs in the study area. As a result, the study recommended that financial should be embraced as a prerequisite for financial literacy status thereby assisting MSMEs in their futuristic core-value advantages and sustainability.

Menike (2019) researched the relationship between financial literacy and firm performance of small and medium enterprises in Sri Lanka. The study investigated the relationship between financial literacy and firm performance of small and medium enterprises in Sri Lanka. The findings indicated that financial attitudes do not statistically and significantly have association between SMEs performance, financial knowledge, influence, and behavior have a favorable impact on their firm performance. It also showed that kids were noticed the financial report components, which were additionally inclined and emulated the parents' record-keeping practices, lessons, and knowledge for the benefit of their own businesses. The results of this study will have practical consequences for the government, relevant institutions, and small and medium-sized enterprise (SME) owners. Specifically, they will underscore the significance of providing proper financial education to SME owners in order to improve the productivity within the country.

Okanta (2018) asserted the financial literacy and Nigerian Small-Scale Enterprises efficiency in Abia State. The research investigated financial literacy and Nigerian Small-Scale Enterprises' efficiency in Abia State. The findings revealed Abia SSEs had lower turnover, and the usage of financial book-keeping by ownership managers would have influence on the Abia low business turnover even if financial literacy status adopted by SSEs in Abia state was low. It was recommended that the SMEs development ministry should intensify strong policies and programmes in order to train SMEs entrepreneurs on how to maintain accounting and financial records in order to enhance long-term core value advantage.

Umogbaimonica, Agwa, and Lupem (2018) researched on literacy of finance and performance of Small and Medium Scale Enterprises in Benue State, Nigeria. The finding of the study was concluded that literacy of finance, knowledgeable attitudes influences SMEs performance in Nigerian-Benue State. The recommendation of the research was to establish a training programmes on financial planning and budgeting, management of debt, book-keeping practices; planning for savings and retirements in all academic environment and other institutional arena in order to enhance financial literacy management practices.

Ahmed (2017) researched financial literacy and micro and small enterprises (MSEs) profitability by University students' ownership in Kenya: An evidenced by United States International University-Africa (USIUA). The research investigated financial literacy and micro and small enterprises (MSEs) profitability by University students' ownership in Kenya. The study results showed that knowledgeable finance does not consequently change to gains despite its application in making decisions and other business activities. The recommendation of the study was therefore stated that educational finance and formally sound training programs should be embraced by the governmental agencies alongside with other institutional bodies in order to enhance financial and knowledgeable application on activities of business ownership as well as informal sector to learn how to keep financial and transactional records in order to reduce financial misfortunes.

Adomako and Danso (2014) studied financial literacy and performance of firms in Ghana through Resource Based Theory. The evidence showed that financial literacy is positively associated to performance of firm. In the study of Sucuahi (2013) who explored the determinants of literacy of finance and micro entrepreneurial owners in Davao city. The findings had shown gender cannot predict the literacy of finance status between micro entrepreneurial owners and that majority of MSE business operational owners are well aware of the negative effects of bad debt management on interest rates and inflationary trends

Nyabwanga (2011) studied management of working capital practices, and financial decisions and performance of small-scale enterprises in the Kisii South district in Kenya through Resource Based Theory in order to express the entrepreneurial comparative advantage of human capital, and how it affects the strategic activities of marketing. The findings of the study revealed that knowledgeable business management practice significantly affects the SSEs' financial and decisional performance. Commercial firms with least knowledgeable business operational management practices should not take important financial decision-makings that would essentially affect organizational performance.

Bruhn and Zia (2011) studied operational business and financial literacy, and youth SMEs in Bosnia and Herzegovina, which discovered that the training effectiveness on those with baseline financial literacy levels below and above the median was in the business outcomes and practices. Under and up-median financial literacy of entrepreneurs were found to have altered some aspects for keeping single finances separate and those of the company and making investments in it. They also discovered that SMEs with relatively higher literacy of finance had shown increment in turnover rates due to the availability of training program, which significantly enhance the overall sales marginal rate.

3. Methodology

A survey design was employed in this research, which the main population estimated as 100 MSE's owned by students in the institution based on simple random sampling. In deciding the sample size to be used, 60 respondents employed as sample size through simple random sampling technique. The collection of data was strategized through structured questionnaire. Multiple linear regression model was used to analyse the collected data through structured questionnaire.

3.1 Model Specification

The multiple linear regression model sourced from the work of Ahmed (2017) who researched on the financial literacy and the profitability of Micro and Small Enterprises (MSEs) owned by University students in Kenya: A case study of United States International University-Africa (USIUA).

The model is denoted as:

$$Pr = f(FA, FB, FK) ---------------------1$$

$$Pr = \alpha + \beta 1\mathrm{FA} + \beta 2\mathrm{FB} + \mathrm{B3FK} + \varepsilon -------------- 2$$

Where:

Pr = Profitability

FA = Financial attitude

FB = Financial Behaviour

FK = Financial Knowledge

α = Constant

ε = Error term

4. Result and Discussion

Table 1: Model Summary of Profitability, Financial Knowledge, Behavior & Financial Attitude

Model	R	R-Square	Adjusted R-Square	Std. Error of the Estimate	Change statistics				
					R-Square Change	F Change	df1	df2	Sig. F Change
1	.391[a]	.153	.097	.71637	.153	2.711	3[a]	45	.056

Source: Authors' Computation, 2023.

The model summary results the multiple linear regression shows FA, FB, FK and Pr. This shows R, R2 and Adjusted R Squared values of 0.391, 0.53 and 0.097 respectively. Since, the R square shows 0.097 as 9.7% of profitability as an explained variable on the financial knowledge, financial behaviour, and financial attitude, which this is expressed 91.3% as unexplained parameter that are not captured from the model.

The findings show the value of 0.056 of the p-value at the 5% significance level, the analysis was performed between Profitability, Financial Knowledge, Financial Behaviour, and Financial Attitude; the F crucial was 2.711.

Table 2: Coefficients of Profitability and Co-factors

Model		Unstandardized Coefficients		Standardized Coefficient	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.139	.853		3.678	.001
	Financial Attitude	-.549	.199	-.612	-2.756	.008
	Financial Behaviour	.416	.162	.541	2.565	.014
	Financial Knowledge	-.346	.318	-.163	-1.089	.282

Source: Authors' Computation, 2023.

The regression equation shown in Table 2 above proved that when all components are maintained certain level, explained variable changes by 3.139. With all other factors held constant, the data revealed that Financial Attitude, behavior and knowledge result in a -0.549, 0.416 and -0.346 respectively. The FA indirectly and significantly affects profitability by -0.549 and 0.008 respectively. The FB directly and significantly affects profitability by 0.416 and 0.014 respectively. The FK indirectly and non-significantly affect profitability by -0.346 and 0.282 respectively.

4.1 Discussion of Findings

Research findings shows that a unit decline in financial knowledge resulted in a loss in profitability. Hence, it showed that financial knowledge does not significantly affect profitability, which the research untrack the main respondents that does not get sound knowledge of finance at the lowest level in order to answer the fundamental knowledge of finance through the administered questionnaire. Financial knowledge impacts positive financial behavior, according to empirical evidence from research by (John, 2022). In this study, however, despite the fact that the main respondents surely answered and the questionnaires, their behavior and practices were neutral in different range. This result is supported by the work of (Ahmed, 2017) who researched literacy of finance and profitability of Micro and Small Enterprises (MSEs). The FB directly and significantly affects profitability. The results corroborate that of Menike (2019) which says that financial behavior have a fovourable impact on their firm performance.

The conclusion is different from the opinion of Sucuahi (2015) findings that showed the main micro and small operational ownership were well aware of the negative effects of the bad debt management on interest rates and inflationary trends. The FA indirectly and significantly affects profitability of micro and small scale enterprises. Based on this, John (2022) opined that literacy of finance and performance of finance of MSMEs, which there was inconsistent to adopt financial literacy. The study of Menike (2019) conformed to the attitudinal finance in favourable effect on MSMEs' firm sustainability.

5. Conclusion and Recommendations

In attempt to investigate the relationship between knowledge of finance and MSEs profitability, the conclusion of the study is that financial knowledge does not influence their profitability because Micro and Medium Scale enterprises owners are not knowledgeable about basic and fundamental principles of financial literacy. Also, MSEs financial behavior is significantly positive on profitability. Although, the evident result from financial attitude does influence their profitability.

Based on the conclusive opinions of the study, it recommends the following:

i. Government agencies, in collaboration with Micro, Medium and Large Financial Institutions and Deposit Money Institutions should stand to organize financially educational programmes for enhancing mental know-how within the gaps in terms of funding effectiveness to new enterprises.

ii. There is a need for continuous training programmes in all academic and other formal institutions in order to enhance the literacy of finance of MSMEs in terms of socio-economic growth.

References

Abiodun, A. (2016). Financial literacy and SME firm performance. *International Journal of Research Studies in Management, 5*(1), 31–43.

Adomako, S., & Danso, A. (2014). Financial literacy and firm performance: The moderating role of financial capital availability and resource flexibility. *International Journal of Management & Organizacional Studies, 2*(1), 3(4).

Aga, G. A., Francis, D., & Rodriguez-Meza, J. (2015). SMEs, age and jobs: A review of the literature, metrics and evidence. *World Bank Policy Research Working Paper, 7493*.

Amari, M., & Anis, J. (2015). Financial literacy and portfolio diversification. *International Journal of Bank Marketing, 33*(6), 808–822.

Andonov, A., Bardong, F., & Lehnert, T. (2010). Inflation expectations, and the financial crisis. *Financial Analysts Journal, 66*(6), 27–39.

Ani, C. G. P., Kelmara, M. V., and Wesley, M. D. S. (2016). Article information: *Management Research Review*, *39*(3), 356–376.

Assibey, E. (2010). Choosing Not To Borrow: An evaluation of perception and sociocultural factors underlying voluntary self-exclusion. *Journal of Financial Economics, 8*(1/2), 36–66.

Alessie, R. Van Rooij, M., & Lusardi, A., (2007). Financial literacy and stock market participation, Working paper MRRC.

Atkinson, A., & Messy, F. (2012). *Measuring financial literacy:* results of the OECD/International Network on Financial Education (INFE) Pilot study (OECD No. 15). Paris.

Bank of Industry (2015). Bank of Industry Launches N1bn for Fashion Industry. Vanguard Newspaper

Basu, S., (2005). White Paper: Financial literacy and the life cycle. White House Conference on Aging. [Online] Available from: http://216.87.66.5/member /govt_relation

Bosma, N., & Harding, R. (2006). Global entrepreneurship monitor: GEM 2006 summary results: Babson College London Business School.

Burke, M. A., & Manz, M. (2014). Economic literacy and inflation expectations: evidence from a laboratory experiment. *Journal of Money, Credit and Banking, 46*(7), 1421–1456.

Bruhn, M., & Zia, B. (2011). The impact of business and financial literacy training for young entrepreneurs in Bosnia-Herzogovina. *Finance & PSD Impact; No. 13. World Bank, Washington, DC.*

Bruhn, M., & Zia, B. (2011). Stimulating managerial capital in emerging markets: The impact of business and financial literacy for young entrepreneurs. W*orld Bank Policy Research Working Paper No. 5642. Washington DC*

Charan, S., & Kishinchand, P. W. (2016). Finance for micro, small and medium- sized enterprises in India: Sources and challenges. *ADBI Working Paper*, 409.

Cote, C. (2020). The importance of financial literacy in business: HBS Online. Retrieved February 18, 2023, from https://online.hbs.edu/blog/post/importance-of-financial-literacy

Daniel, M. M. (2015). *The effect of micro finance loans on the financial performance of small medium enterprises in Nairobi County.* Unpublished Project in partial fulfillment of the requirements for the award of the degree of Master of Science Finance, school of business, University of Nairobi, 1-80.

Drexler, A., Fischer, G., & Schoar, A. (2014). Keeping it simple : Financial literacy and rules of thumb. *American Economic Journal, 6*(2), 1–31.

Ejaz, G., Tariq, M., & Musleh, D. (2012). Market diversification and firms' characteristics of export-oriented manufacturers in Pakistan. *The Pakistan Development Review,* 51(2), 103–115.

Elizabeth, H., Jermy, K., & Kemp, E. (2008). The role of self-regulation, future orientation, and financial knowledge in long-term financial decisions. *The Journal of Consumer Affairs, 42*(2), 223–242.

Eugene, F. B., & Michael, l C. E. (2011a). Basic concept of time value of money. In financial management–theory and practice.

Greenspan, A. (2004). Risk and uncertainty in monetary policy. *American Economic Review, 1*(94), 33-40.

Grohmann, A., Menkhoff, L., & Storck, J. (2015). Financial literacy and financial behavior. *DIW Economic Bulletin, 1*(5), 3-8.

Hatch, M. J., & Cunliffe, A. L. (2012). *Organisation theory*: *Modern, symbolic and postmodern perspectives*. Oxford University Press.

Hilgert, M., Hogarth, J., & Beverly, S. (2003). Household financial management: The connection between knowledge and behavior. *Federal Reserve Bulletin, 89,* 309-322.

Huston, S. J. (2017). Measuring financial literacy. *The Journal of Consumer Affairs*, *44*(2), 296– 316.

John, O. I. (2022). Financial literacy and financial performance of micro, small and medium enterprises in Lagos City, Nigeria. *The International Journal of Business & Management*, *10*(10), 2-7.

Kamunge, M. S., Njeru, A., & Tirimba, O. I. (2014). Factors affecting the performance of small and macro enterprises in Limuru town market of Kiambu County. *International Journal of Scientific and Research Publications*, *4*(12), 1–20.

Kalekye, P. N., & Memba, F. (2015). The role of financial literacy on the profitability of women owned enterprises. *International Journal of Science and Research (IJSR)*, *4*(6), 2360–2365.

Klapper L, Lusardi A., & Peter, V. O. (2016). Financial literacy around the world: Insight from the Standard & Poor's Ratings Services Global Financial Literacy Survey.

Kotzè, L., & Smit, A. (2008). Personal financial literacy and personal debt management: the potential relationships with new venture creation. *South African Journal of Entrepreneurship and Small Business*, *1*(1), 35–50.

Kongolo, M. (2010). Job creation versus shedding and the role of SMEs in economic development. *African Journal of Business Management. 4*(11), 2288–2295.

Lusimbo, E. N., & Muturi, W. (2016). Financial literacy and the growth of small enterprises in Kenya : A case of Kakamega central sub-county, Kenya. *International Journal of Economics, Commerce and Management*, *4(*6), 828–845.

Mabel, A. (2022). Financial literacy and financial inclusion for small-scale enterprises in Sunyani Municipality in the Brong -Ahafo Region of Ghana, *International Journal of Business and Management Review*, *10*(8), 62-75.

Mandell, L. (2008). Financial knowledge of high school seniors. In Jing J. Xiao (ed.), *Advances in Consumer Finance Research New York: Springer Publishing*, *4*(8), 170-171.

Margaretha, F., & Supartika, N. (2016). Factors affecting profitability of small medium enterprises (SMEs) firm listed in Indonesia stock exchange. *Journal of Economics, Business and Management*, *4*(2), 2-6.

Martinez, V. (2013). Time value of money made simple: A graphic teaching method. *Journal of Financial Education*, *39(*1/2), 96–117.

Menike, L. M. C. S. (2019). Effect of financial literacy on firm performance of small and medium enterprises in Sri Lanka. *Financial Markets & Corporate Governance Conference, 7*(10), 1-25.

Nils, B., & Joachim, W. (2011). Product diversification and profitability in German manufacturing firms. *Journal of Economics and Statistics, 231*(3), 326–335.

Niwaha, M., Schmidt, O., & Tumuramye, P. (2016). Financial literacy and development - experimental insights from rural Micro- and Small Entrepreneurs (MSEs) in Western Uganda. *International Journal of Development Research, 6*(2), 6758–6764.

Nkundabanyanga, S. K., & Kasozi, D. (2014). Lending terms, financial literacy and formal credit accessibility. *International Journal of Social Economics, 41*(5), 342–361.

Nyabwanga, R. N. (2011). *An assessment of the effect of working capital management practices on financial performance.* A study of small-scale enterprises in Kissi South district, Kenya. Unpublished MBA project, Egerton University.

Ocioo, C. E., Akaba, S., & Worwal-Brown, D. (2014). Globalisation and competitiveness: Challenges of small and medium enterprises (SMEs) in Accra, Ghana. *International Journal of Business and Social Science, 5*(4), 287–296.

OECD. (2013). *Advancing National Strategies for financial education.*

OECD (2005), Recommendation on principles and good practices for financial education and awareness, OECD, https://www.oecd.org/daf/fin/financial-education/35108560.pdf

OECD LEED Programme report, OECD, Paris.

OECD (2010).*SMEs, entrepreneurship and innovation*. Paris: OECD Publishing. https://doi.org/10.1787/9789264080355-en.OECD (2016).Job creation and local economic development. Paris: OECD Publishing.

OECD (2009a). Entrepreneurship and the Innovation System of the Agder Region, Norway.

OECD (2009b). Taxation of SMEs: Key issues and policy considerations, OECD, Paris.

Okanta, S. U. (2018). *The effect of financial literacy on the efficiency of small-scale enterprises in Abia State, Nigeria.* Unpublished Project in the Department of Banking & Finance Abia State University, Uturu, Nigeria.

Oseifuah, K. E. (2010). Financial literacy and youth entrepreneurship in South Africa. *African Journal of Economic and Management Studies, 1*(2), 164–182

Olawale, F., & Garwe, D. (2010). *Obstacles to the growth of new SMEs in South Africa: A principal component analysis approach*.www.academicjournals.org/ajbm

Plakalovi, N. (2015). Financial literacy of SMEs managers. *Technology, innovation and industrial management, 1*(6), 409–416.

Potrich, A. C. G., Kelmara, M. V., & Wesley, M.-D.-S. (2016). Development of a financial literacy model for university students. *Management Research Review, 39*(3), 356–376.

Refera, M. K., Dhaliwal, N. K., & Kaur, J. (2016). Financial literacy for developing countries in Africa : A review of concept, significance and research opportunities. *Journal of African Studies and Development, 8*(1), 1–12.

Robb, C. A. (2014). The Personal financial knowledge conundrum. *Journal of Financial Service Professionals, 1*(8), 69–73.

Robb, C. A., & Woodyard, A. S. (2011). Financial knowledge and best practice behavior. *Journal of Financial Counseling and Planning, 22*(1), 60–70.

Rooij, V., Lusardi, M.A. & Alessie, A. (2007). Financial literacy and stock market Participation NBER Working Paper No.13565.

Sucuahi, W. T. (2013). Determinants of financial literacy of micro entrepreneurs in Davao city. *International Journal of Accounting Research, 1*(1), 44–51.

Tali, T.-H. (2016). Financial literacy among children: The role of involvement in saving money. *Young Consumers, 17*(2), 197–208.

Tang, N., Baker, A., & Peter, P. C. (2015). Investigating the disconnect between financial knowledge and behavior :The role of parental influence and psychological characteristics in responsible financial behaviors among young adults. *The Journal of Consumer Affairs, 2(4),* 376–406.

Tang, N., & Peter, P. C. (2015). Financial knowledge acquisition among the young : The role of financial education, financial experience, and parents' financial experience. *Financial Services Review,* 24, 119–137.

Tarasi, C. O., Bolton, R. N., Hutt, M. D., & Walker, B. A. (2011). Balancing risk and return in a customer portfolio. *Journal of Marketing, 75*(3), 1–17.

Tyson, E. (2018). Personal finance for dummies, 6th Edition. Wiley Publishing.

Umogbaimonica, E., Agwa, T.R., & Lupem, A.E., (2018). Financial literacy and performance of Small and Medium Scale Enterprises in Benue

State, Nigeria. *International Journal of Economics, Business and Management Research, 2*(4), 65-79.

Wairimu, Z., & Mwilaria, S.M (2017). Microfinance institutions' social intermediation and micro and small enterprises survival in Thika Town, Kenya. (2017). *Asia Pacific Journal of Multidisciplinary Research, 5*(2), 87-93.

Worthington, A. (2005). Debt as a Source of Financial Stress in Australian Households. *International Journal of Consumer Studies, 1*(2), 201 – 222.

Worthington, E. L. Jr., Witvliet, C. V. O., Lerner, A. J., & Scherer, M. (2005). Forgiveness in medical practice and research. Explore: *The Journal of Science and Healing, 3*(1), 169–176.

Xu, L., & Zia, B. (2012). Financial literacy around the world: An overview of the evidence with practical suggestions for the way forward. *Policy Research Working Paper, 6*(56), 1–56.

Zeynep, T. (2015). Financial education for children and Youth. *Handbook of Research on Behavioral Finance and Investment Strategies, 24*(3), 3-7.

Zoltan J. Acs., Braunerhjelm P., Audretsch D. B., & Carlsson B., (2008). The knowledge spillover theory of entrepreneurship. *Small Bus Econ Journal, 1*(32), 15–30.