International Journal of Accounting, Finance and Risk Management
2022; 7(4): 157-163
http://www.sciencepublishinggroup.com/j/ijafrm
doi: 10.11648/j.ijafrm.20220704.13
ISSN: 2578-9368 (Print); ISSN: 2578-9376 (Online)

Research/Technical Note

Deterrents of Access to Debt Capital for Small and Medium Enterprises in Nairobi

Abdikadir Noor Fidow

Chandaria School of Business, United States International University (USIU) Africa, Nairobi, Kenya

Email address:
fidowcigal@gmail.com

To cite this article:
Abdikadir Noor Fidow. Deterrents of Access to Debt Capital for Small and Medium Enterprises in Nairobi. Kenya. *International Journal of Accounting, Finance and Risk Management*. Vol. 7, No. 4, 2022, pp. 157-163. doi: 10.11648/j.ijafrm.20220704.13

Received: November 15, 2022; **Accepted**: December 5, 2022; **Published**: December 15, 2022

Abstract: Since thirties access to debt capital has been considered as one of the main challenges facing the growth of Small businesses in the world. Empirical studies in developed countries focused on access to debt capital without considering the cost of that debt, due to the fact that the cost of debt is cheaper in developed countries. However, this is not the case in the developing economies such as Kenya due to lack of financial transparency, high interest rate, high risk, and poor financial reporting. This study endeavored to investigate the hindrance of small businesses to access debt capital in Nairobi, Kenya. In addition, the study used loan-pricing theory (LPT) to clarify the theoretical explanation of factors that hinder Kenyan SMEs to access debt capital. Factors that this study investigated are: cost of debt (CD), faith prohibition (FP), and long process (LP). The study applied regression and correlation to analyze the collected data using SPSS. The analysis revealed significant relationship between cost of debt and access to debt capital. There was also significant relationship between long process and access to debt capital. But the relationship between faith prohibition and access to debt capital was insignificant. The study concluded that the government should facilitate cheap finances for small businesses to enable them access to debt capital and improve their performance. Developing online loan facilities should reduce the long process and sizeable paper work of accessing debt capital. The government should connect the grid to small businesses and encourage virtual lenders to lend out a sizable portion of their credits.

Keywords: Cost of Debt, Access to Debt Capital, Long Process, Kenyan SMEs

1. Introduction

In 1931, the government sponsored the Macmillan Committee to outline the causes of the declining economy of the country. The committee realized that one of the primary causes was the unmet financial need of SMEs, which was 98% of the business population in that era, and the committee recommended that the government must recognize the importance of SMEs and support to enable access to finances and improve their performance as well as the general growth of the economy. Most of the existing literature has heavily focused on the importance of SMEs' access to debt due to the direct effect on SMEs' performance, which subsequently affects the economy as whole. However, previous studies considered the effect of access to debt on different sets of performance indicators.

Such studies suggest that firm performance in terms of growth can be measured in different ways, such as firm size, revenue and profit, innovation and exports. However, the results on the effect of access to debt on profitability and assets are contradictory, varying from a positive effect to a negative effect or insignificant effect. Other studies have found mixed results through dividing debt into short-term and long-term debt. Since that time, many studies focused access to credit as the panacea for the problems of SMEs. Capital is the resources or the money needed to open, operate, pay suppliers and employees in order to make profit and continue operating [1]. In addition, SMEs play a major role in lowering the poverty level, increasing exports, boosting competition, and supporting sustainable development. Therefore, SMEs are key drivers to boost productivity and growth [2].

Capital is essential and more complex in the sense that it can come in many different forms. There are plenteously alternative means of accessing capital for businesses such as; loans from traditional lenders, crowd funding, savings, and free loans from family and friends. Most of the time, the problem of accessing capital is not lack of money, but rather lack of connection between those who need the capital and those prepared to offer capital or the conditions of lenders tied in providing loans [3]. In today's stressed economy, businesses are better equipped to pursue not only the type of capital, but also more importantly the type of lender, they need to connect with in order to negotiate the price and the terms of the loan.

In Kenya, SMEs constitute about 98% of business population, employ 50% of the working force, and produce 27% of total revenues (International Monetary Fund & World Bank, 2018). Moreover, about 42% of micro and small enterprises are restricted by cost of finance to access debt capital, and only 20% of private sector utilize loan, reflecting poor finances for SMEs [4]. In recognition of the importance of SMEs to the economy, Kenyan authorities have launched several initiatives to resolve the finance gaps such as interest-free loans of up to four years, while some commercial banks have also established SME units to improve the facilities and services for SMEs. At the same time, lenders have challenges in evaluating the performance and loan risks of SMEs in Kenya due to the lack of financial transparency and poor financial reporting, which affects SMEs' access to debt. The increasing interest in exploring and analyzing SMEs growth has attracted many researchers across the globe ([5, 6, 7]). Considering SMEs as major contributors to the economy, the researcher decided to conduct this study about the deterrents of access to debt capital for small businesses in Nairobi. This research examines factors that hinder SMEs to access loans from traditional and virtual lenders, in order to offer evidence about the factors that hamper the SMEs to access funds for the running the businesses. There were no empirical studies that have been conducted in Nairobi on this subject.

2. Theoretical Review

A theoretical review refers to the broad analysis and synthesis of the literature in order to identify research gaps, and adopt new approach of testing existing theories, build new ones, and postulate a research agenda. A theoretical framework must establish an understanding of the theories and concepts that is germane and applicable to the topic of the research at hand.

Loan Pricing Theory

Stieglitz and Weiss first propagated the Loan Pricing Theory (LPT) in 1981. The theory states that if commercial banks set interest rates too high, they might induce adverse selection distresses due to the fact that high-risk borrowers would be ready to accept these high interest rates. Lenders always tend to set high interest rate in order to maximize their return on investment. However, when borrowers receive this high interest rate on loans, they may develop 'borrower moral hazard' since they would take high-risk projects that would yield high returns to cover their expensive finances.

Loan pricing is essential for the management of commercial banks and other lenders because it affects their profitability, competitiveness, and default risk. This will affect the profitability of lenders because low-risk borrowers with genuine projects may seek more efficient and cheaper sources of funds, while riskier borrowers are underpriced and would be able to capture large portions of loan portfolio. Moderate loan pricing is very important for both the borrower and the lender because confusion and inconsistency are minimized [8]. He suggested the following 'optimal model of loan pricing' by commercial banks.

Source: Jingsong (2005).

Figure 1. *Optimal Loan Pricing.*

Portfolio theory' indicate that loans should be priced relative to the loan's contribution to the variability of the bank's loan portfolio and individual loan riskiness [9]. This is contradicted by the 'theory of credit rationing', which indicates that some loans would be denied because, beyond particular interest rate, the additional risk of the loan surpasses the possible increase of revenues from the high interest rate (Kirschenmann, 2016).

Loan pricing theory has been utilized in explaining credit assessing and rationing, mitigating default risk, and profit maximizing of commercial banks. A research conducted by Kimutai, C. J., & Jagongo, A. about the factors that influence credit rationing by commercial banks in Kenya was used commercial banks within Nairobi as their target population [10]. Both primary and secondary data were used with proportionate stratified random sampling. They also used loan-pricing theory as the one anchoring their research. They found the main factors that influence credit rationing as loan characteristics, firm characteristics, and observable characteristics. They recommended that credit rationing is beneficial for the banks because it will help in avoiding adverse selection and high-risk defaulters, consequently contributing business growth in banking sector. They concluded that the banks should avoid rationing credit to credit unworthy borrowers by finding reliable information on the credit worthiness of the borrowers.

The risk-based loan price replicates the return on a risk-free asset and risk margin, which should be adequate to compensate the lender from the entire range of risks assumed. The elements that risk based loan prices take into consideration include credit correlation risk, credit concentration risk, default risk, migration risk, recovery risk, and collateral risk. Loan pricing theory is applicable for this study because it expounds on the access to finance sub-variables, and how price of loan can affect access to loan.

3. Literature Review

A theoretical framework must establish an understanding of the theories and concepts that is germane and applicable to the topic of the research at hand. [11].

3.1. Cost of Debt

Cost of debt is all the expenses incurred in the process of getting fund for business establishments or consumption like: interest, paperwork, transportation, accommodation, information work, intermediary, and other expenses related to receiving fund. In a nutshell, its what you have to pay at the end of the agreed period less what you have received.

A research by Blanchard, O. about the effect of public debt on interest rate in USA found that public debt reduces capital accumulation, thus increasing cost of debt capital for ordinary businesses [12]. The study explained that when the government issues debt instrument in the local market, lenders opt for riskless debt over the normal citizens and this creates competition between the government and businesses for debt, which increases the cost of debt. A study by Crawford, N. C. stated that USA appropriated $6.4 Trillion to post 9/11 confrontations [13]. This has entailed significant expenses and caused deficit spending, thus pressurizing the local financiers and this in turn, increased the cost of debt capital for ordinary businesses.

A research by Schauten, M., & Blom, J. examined the relationship between the quality of corporate governance and the cost of debt [14]. The study used 300 of the largest European firms as their sample. The study found that corporate governance is negatively correlated with the cost of debt. This shows that firms with strong corporate governance have lower cost of debt in financing, while firms with weak corporate governance are associated with higher cost of debt financing, with a deference of 1.4%. The study recommended that debt holders use the quality of corporate governance when they are assessing risk profiles of the firms. The study concluded that good governance pays off for both equity and debt holders.

A research conducted by Cowling, M., Ughetto, E., & Lee, N. about Cost of debt [15], loan default, and the effects of a public loan guarantee on high-tech firms in UK used large UK dataset of 29,266 guarantee-backed loans. The study found that there is a high-tech risk premium, which is justified by higher default. But in general, this premium is altered significantly when a public guarantee is provided for all firms. Further, all these loan price effects differ on precise spatial economic and innovation attributes. The study indicated that High-technology firms per se are perceived to be more risky than conventional firms. Financial institutions will take into account the fact that these firms are not asset based, and when designing loan contracts, this will manifest itself into more costly debt. But the study found that government loan guarantee fundamentally changes the way lenders price debt to high-tech firms.

A research conducted by Dhaliwal, D. S., Gleason, C. A., Heitzman, S., & Melendrez, K. D. used insurance data set for a sample of Chinese publicly listed companies from 1997-2003 and tested linkage between cost of debt and corporate property insurance [16]. The result found that higher cost of debt motivates the use of property insurance. There was also evidence that leverage is correlated with tangible asset intensity and exerts conjoint effect on the corporate purchase of property insurance. The study suggested that cost of debt reduction facilitates corporate borrowing, thereby expanding debt capacity in property insurance in China. The study concluded that cost of debt is correlated positively with corporate insurance.

In South Africa, a study by Olarewaju, O., & Msomi, T. used 310 respondents to examine factors affecting the growth of small businesses [17]. The study found that budgeting, accounting skills, and access to cheap finances have significant positive effects on the performance of small businesses. Access to cheap finance and budgeting have the largest absolute values of 0.425 and 0.373 respectively. Another study conducted by Abebaw, W. K., Mulate, S., & Nigussie, L. about the factors that contribute the success and failures of SMEs in Ethiopia [18]. After selecting 386 respondents from a population of 11,244, the study found strong significant positive correlation between low-cost finances, labor skill, leadership skill, good infrastructure, and the performance of small businesses. In a study to investigate the effect of high cost of debt capital on the companies listed in Nairobi stock exchange, Onsongo, S. K., Muathe, S., & Mwangi, L. W. found significant negative correlation between cost of debt and company performance [19], and recommended reduction of interest rate.

3.2. Hypotheses of the Study

A hypothesis in a scientific context, and testable statement about the relationship between two or more variables or a proposed explanation for some observed phenomenon [20]. Another definition by Jun, E., Birchfield, M., De Moura, N., Heer, J., & Just, R. also described hypothesis as and educated guess about a possible solution to a mystery, prediction, or mystery that can be tested to prove or disprove [21].

$H_{1:}$ Cost of Debt Did Not Deter to Borrow Fund for my Business

Cost of finance is one of the key factors that determine the performance of businesses. Access to cheap credit is paramount importance for the profitability and performance of any businesses [22]. Recently, researchers have developed an interest in SME performance in view of their importance, significance, and influence of economic growth and providing income and services for low and middle class citizens [23].

Nonetheless, despite the plethora of financial theories, empirical literature, vast array of SME training and sensitization programs, the main focus in this millennium was 'access to credit' and financial inclusion overlooking the importance of cost of the credit accessed [24].

H_2: My Faith dissuades me to Borrow Fund for the Business

Muslim community owns about 40% of small businesses in Nairobi, and interest (Riba) is prohibited and is seen exploitive in the Islamic law. Islamic religious practice forbids Riba, even at low interest rates, as both illicit (Haram) and unethical or usurious. Islamic banking has provided several workarounds to accommodate financial transactions without charging explicit interest [25]. On the same note, interest is also prohibited in the bible (Exodus 22: 25–27). Although most Christians ignore this, some follow to the word and don't take or pay interest.

H_3: long process of getting capital did not deter me to borrow

Loan applicants go through a long process before loan application approval, especially Small businesses [26]. Many potential borrowers have eschewed loans due to frenzied requirements as well as reduction of time required in running the business. In normal loan application, the process of loan is to apply and attach all the required documents. The document will vary depending the type of loan, size, and the complexity of the organization requesting the loan. Common documents include: financial statements, tax returns, legal entity documents, and so on. Once the lender receives the loan application and the attached documents, loan underwriters are tasked to verify and approve or disapprove. When the loan application is approved, the borrower is communicated and the fund is released. This may take long periods, which some times do not merit, the time and transaction cost of the application, specifically for small businesses.

3.3. Methodology

Research methodology is the specific procedures and techniques that are used to identify, process, and analyze information about a topic [27, 28]. This study used descriptive correlation research design to investigate the deterrents of small businesses to access debt capital in Nairobi. A descriptive correlation research design was appropriate for this research because it tested the effect and causes of independent variables on the dependent variable. The method adopted to collect the sample obviously has large implications on the results and the conclusion of the study. The sample of this study is drawn from the population of small businesses in Nairobi. Cochran's formula was used to calculate the sample size. The standard deviation of the study was 0.5 with confidence level of 95%. The Z value of 5% confidence level is 1.96 therefore, $(1.96)^2 (0.5) (0.5)) / (0.05)^2 = 385$.

Pearson's Product Moment (PPM) was used to measure the strength and the direction of the relationships between each of the three dimensions of factors affecting the access to credit by small businesses. Regression analysis is a set of statistical processes for estimating the relationship between the variables. In a study by Creswell, J. W., & Poth, C. N. is also used to understand which of the independent variables are related to the dependent variable [29]. Regression analysis is a powerful statistical method that allows the researcher to examine the relationship between two or more variables of interest. Linear regression was used to determine the relationship between the independent and dependent variables. It was selected because of its efficiency and ability to obtain good results using relatively small data sets. Each hypothesis was tested independently resulting in the acceptance or rejection of the null hypothesis.

4. Results

Male respondents were 74% and the rest was females. Fifty two percent of the respondents were secondary school certificate holders, 11% bachelor certificate holders, and only 3% have master's degree. In terms of age, 48% were in the age bracket of 30-39.

4.1. Correlation Coefficient

Correlation coefficients are used to measure the strength and direction of relationship between two variables. There are several types of correlation coefficient, but the study used Pearson's correlation.

Table 1. *General Information of the Respondents.*

Gender	Male	74%				
	Female	26%				
Position of the Respondents	Owners	28%				
	Employees	72%				
Age of the Respondents	Below 20	4%	30-39	48%	50-59	8%
	20-29	15%	40-49	22%	Over 60	4%
Level of Education	Primary	8%	Certificate	11%	Bachelor	11%
	Secondary	52%	Diploma	15%	Masters	3%

Table 2. *Pearson's Correlation Between Independent and Dependent Variables.*

Constructs		**Access to Debt Capital**
		Access to Credit
High cost of debt deterred me to borrow capital	Pearson Correlation	.581
	Sig. (2-tailed)	.001
	N	385

Constructs		Access to Debt Capital
		Access to Credit
My faith deterred me to borrow capital	Pearson Correlation	.091
	Sig. (2-tailed)	.056
	N	385
Long process of borrowing deters me to borrow capital	Pearson Correlation	.341
	Sig. (2-tailed)	.034
	N	385

There is strong significant positive relationship between high cost of debt and access to credit, 0.581 with p-value of less than 0.05. Long process of borrowing has significant relationship with access to credit, 0.341 with p-value of less than 0.05. There is no significant correlation between faith and access to debt capital, 0.091 with p-value of greater than 0.05.

4.2. Regression Analysis and Hypotheses Testing

The study sought to establish the effect of high cost of debt, long process, and faith on the dependent variable construct, namely access to debt capital. The findings are hereby presented.

Table 3. *Model Summary.*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin Watson
1	.458	.210	.196	7.091	2.01
2	.478	.228	.204	7.018	1.99
3	.488	.338	.214	7.528	2.00

The study findings revealed that the high cost of debt capital explained significant proportion of variance in cost of capital debt, $R^2 = .338$.

4.3. Coefficients

The multiple linear regression results of the study showed that, high cost of debt and long process independent variables were significant in predicting access to credit, β = -.209, t (385) = -3.009, p<.05, β = -0.288, t (385) = -3.09, p < 05, and β = -.208, t (384) = -3.12, p < .05. But faith was not significant in predicting access to debt capital, β = -.212, t (384) = -3.12, p < .05. This result is shown below.

Table 4. *Coefficients.*

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	Constant	8.982	.912		9.853	.000
	High cost	-.459	.153	-.209	-3.09	.003
2	Constant	9.565	1.597		5.990	.000
	Long process	-.482	.154	-.208	-3.12	.002
3	Constant	9.565	1.197		5.990	.000
	Faith	-.402	.134	-.212	-3.12	.062

5. Discussion

In respect to the first research question on the effect of high cost of debt capital on the access to debt capital, the study found that cost of capital was significantly correlated with access to debt capital, r (384) = 0.581, p <0.05. The results of the regression indicated that access to debt capital explained 33.8% of the variance, (R^2=0.338). Cost of debt capital significantly affected access to debt capital for small businesses in Nairobi, Kenya. In respect to the second research question on the effect of long process of getting debt on the access of capital, the study found that long process was significantly correlated with access to debt capital, r (385) = 0.341, p <0.05. The results of the regression indicated that access to debt capital explained 22.8% of the variance, (R^2=0.228). Long process significantly affected access to debt capital for small businesses in Nairobi, Kenya. In respect to the third research question on the faith of the borrower, the study found that prohibition of the borrower's faith was not significantly correlated with access to debt capital, r (385) = 0.091, p >0.05. The results of the regression indicated that access to debt capital explained 22.1% of the variance, (R^2=0.221). Faith of the borrower did not affected access to debt capital for small businesses in Nairobi, Kenya. long process of getting loan increases the cost and causes waste of the business resources. Virtual lenders reduced the process of accessing loan, but the cost is still high and prevents many small businesses to apply that loan. Although faith is important and many young people are becoming religious, access to debt capital was not significantly correlated with faith. This means that the business people will not hesitate to borrow regardless of what their religion says about it given that it is cheap loan.

6. Conclusions

High cost of debt prohibits business people to apply loans, thus leaving outside the precinct of financial inclusion. Any potential borrower has to make sure that the cost of the loan he/she is taking is less than the expected profit of the business. If the cost of the loan exceeds the expected profit, the assets of the businesses have to cover the difference, gradually causing the collapse of the business. To avoid this scenario, business people will not borrow expensive loans.

7. Recommendations

The study found that cost of debt capital has significant correlation with access to debt capital. This finding led to the conclusion that high cost of capital hinders access to capital for small businesses in Nairobi. This study recommends the government of Kenya to provide reasonably cheap source of capital for small businesses instead of relying commercial banks, which charge high interest rate for small businesses due to riskiness of the sector. The study also found significant correlation between 'long process' and access to debt capital. Small businesses face high transaction cost and long process of getting capital because they lack economies of scale. Online loans have tremendously reduced transaction cost and the process of accessing debt capital. The drawback is that the online lenders charge prohibitive rate of interest. Online lenders charge between 1%- 2% daily, which translates 360%-720% p.a. This further complicates accessibility of debt capital for small businesses.

The government should provide free loan for SMEs since it is very important for the improvement of the economy, creates employment, and gives income to middle and low class citizens. Free loan is different from free fund. Free loan is to provide fund without interest, but free fund is to give out fund that will not be returned. Since free fund will create a rush for all citizens regardless of whether they have business idea or not. To avoid this, the government should create a fund that will be given to only small businesses and they will return within convenient and specific period of time without charging any cost.

Kenya revenue authority will administer the fund to make sure that the recipient is genuine businessperson who makes annual return. By inspecting their returns, annual turnover, profit made, and the amount of income tax paid by the previous year, KRA will decide the amount of fund to lend that business. If the business generates more profits after getting the fund and pays more income tax, it will qualify free loan next year. This will create an environment, where businesses will compete in declaring more profits and pay more income in order to qualify free loan and boost their business profit as well as KRA revenue.

To avoid duplicitous entities applying the loan, KRA will form a committee that will visit businesses in their locality, assess the amount qualified depending their assets and the kind of business engaged, and allocates the fund without the business incurring any transaction cost. Repayment term should not be less than two years, after which the business must clear any outstanding balance. After clearing the balance, the business will be eligible for another free loan given that it shows how the previous loan has improved its performance in terms of increased revenue, profit, and the income tax paid. Apart from instigating economic growth, and high employment rate, KRA will generate revenue from the income tax payment from the businesses because the fund will create a situation where businesses have to compete in paying income tax in order to qualify more of the free loan.

References

[1] Mishra, A. K., Bairagi, S., Velasco, M. L., & Mohanty, S. (2018). Impact of access to capital and abiotic stress on production efficiency: Evidence from rice farming in Cambodia. Land Use Policy, 79, 215-222.

[2] Tarutė, A., & Gatautis, R. (2014). ICT impact on SMEs performance. Procedia-social and behavioral Sciences, 110, 1218-1225.

[3] Itumo, J. N. (2019). Factors Affecting Small and Medium Business Enterprises in Accessing Loan Facility in Kenya (A Case Study of Embu County).

[4] Khaw, K. L. H., Zainudin, R., & Rashid, R. M. (2019). Cost of debt financing: Does political connection matter? Emerging Markets Review, 41 (C).

[5] Shala, V., Kutllovci, E., & Troni, B. (2018). Business Strategy, the key determinants of SME growth in Kosovo. International Journal of Advances in Agriculture Sciences.

[6] Rafiki, A. (2019). Determinants of SME growth: an empirical study in Saudi Arabia. International Journal of Organizational Analysis.

[7] El Shoubaki, A., Laguir, I., & Den Besten, M. (2020). Human capital and SME growth: The mediating role of reasons to start a business. Small Business Economics, 54 (4), 1107-1121.

[8] Jingsong, C. Q. Z. Y. W. (2005). Loan Pricing Strategy and Model Design by Commercial Banks [J]. In Finance Forum (Vol. 2).

[9] Pfiffelmann, M., Roger, T., & Bourachnikova, O. (2016). When behavioral portfolio theory meets Markowitz theory. Economic Modelling, 53, 419-435.

[10] Kimutai, C. J., & Jagongo, A. (2013). Factors influencing credit rationing by commercial banks in Kenya. International Journal of Humanities and Social Science, 3 (20), 244-252.

[11] Saunders, M., Lewis, P., & Thornhill, A. (2015). Research methods for business students. Essex. Financial Times/Prentice Hall.

[12] Blanchard, O. (2019). Public debt and low interest rates. American Economic Review, 109 (4), 1197-1229.

[13] Crawford, N. C. (2019). United States budgetary costs and obligations of post-9/11 wars through FY2020: $6.4 trillion. Costs of War.

[14] Schauten, M., & Blom, J. (2006). Corporate governance and the cost of debt. Available at SSRN 933615.

[15] Cowling, M., Ughetto, E., & Lee, N. (2018). The innovation debt penalty: Cost of debt, loan default, and the effects of a public loan guarantee on high-tech firms. Technological Forecasting and Social Change, 127, 166-176.

[16] Dhaliwal, D. S., Gleason, C. A., Heitzman, S., & Melendrez, K. D. (2008). Auditor fees and cost of debt. Journal of accounting, auditing & finance, 23 (1), 1-22.

[17] Olarewaju, O., & Msomi, T. (2021). Factors affecting small and medium enterprises' financial sustainability in South Africa. African Journal of Inter/Multidisciplinary Studies, 3 (1), 103-117.

[18] Abebaw, W. K., Mulate, S., & Nigussie, L. (2018). Factors affecting the performance of micro and small-scale enterprises: Experience from North Shewa Zone, Ethiopia. Journal of Investment and Management, 7 (2), 70-76.

[19] Onsongo, S. K., Muathe, S., & Mwangi, L. W. (2020). Financial risk and financial performance: evidence and insights from commercial and services listed companies in Nairobi securities exchange, Kenya. International Journal of Financial Studies, 8 (3), 51.

[20] Chukhrova, N., & Johannssen, A. (2019). Fuzzy regression analysis: systematic review and bibliography. Applied Soft Computing, 84, 105708.

[21] Jun, E., Birchfield, M., De Moura, N., Heer, J., & Just, R. (2022). Hypothesis formalization: Empirical findings, software limitations, and design implications. ACM Transactions on Computer-Human Interaction (TOCHI), 29 (1), 1-28.

[22] Ehrhardt, M. C., & Brigham, E. F. (2016). Corporate finance: A focused approach. Cengage learning.

[23] Xiang, D., & Worthington, A. C. (2017). The impact of government financial assistance on the performance and financing of Australian SMEs. Accounting Research Journal.

[24] Miranti, P. J. (2016). Genealogy of American Finance by Robert E. Wright and Richard Sylla. Enterprise & Society, 17 (4), 931-933.

[25] Alamad, S. (2019). Financial and accounting principles in Islamic finance. Springer International Publishing.

[26] Ghosh, P. K., Ghosh, S. K., & Chowdhury, S. (2018). Factors hindering women entrepreneurs' access to institutional finance-an empirical study. Journal of Small Business & Entrepreneurship, 30 (4), 279-291.

[27] Kumar, R. (2019). Research methodology: A step-by-step guide for beginners. Sage Publications Limited.

[28] Bresler, L., & Stake, R. E. (2017). Qualitative research methodology in music education. In Critical Essays in Music Education (pp. 113-128). Routledge. Choosing among five approaches.

[29] Creswell, J. W., & Poth, C. N. (2016). Qualitative inquiry and research design: Choosing among five approaches. Sage publications.