

Business Environment Variables as Determinants of Sustainable Profitability of Small and Medium Scale Enterprises (SMEs) in Ibadan Metropolis

Dorcas E. OLUWADARE

Department of Arts and Social Sciences Education,
University of Ibadan, Nigeria
dlinus307@gmail.com

Tolulope. V. GBADAMOSI

Department of Arts and Social Sciences Education,
University of Ibadan, Nigeria
samtiv1975@gmail.com

Abstract

SMEs significantly drive economic growth and poverty reduction in emerging economies like Nigeria, especially in cities such as Ibadan. However, many face challenges affecting sustainability. This study examines key determinants of SME profitability in Ibadan, using a correlational descriptive design using mixed method of quantitative and qualitative research and multi-stage sampling procedure. The samples were 100 petty traders which cut across the 10 sampled areas in Ibadan, metropolis. Questionnaire on Business Variables as Determinant of Sustainable Profitability of SMEs ($r = 0.79$) using Cronbach Alpha and Interview Guide for Small and Medium Scale Enterprises was used to collect the quantitative and qualitative data respectively. Person Product Moment Correlation (PPMC) and thematic approach were used to analyse the quantitative and qualitative data respectively. The findings revealed that there was significant relationship between access to finance and profitability of SMEs ($r_{(99)} = .195p < 0.05$); significant relationship between application of Information and Communication Technology (ICT) and profitability of SMEs ($r_{(99)} = .205p < 0.05$) and significant relationship between entrepreneurial training and profitability of SMEs ($r_{(99)} = .122p < 0.05$) and the effect of access to finance, entrepreneurial training, application of ICT and the profitability of SMEs got the value of $R = .432$, while $R^2 = .186$. This suggests that all the factors combined together accounted for ($Adj.R^2 = .125$) variance in the prediction of profitability of SMEs. In line with the quantitative findings, interview results showed most SMEs were internally financed, valued ICT for efficiency and interaction, and saw training as highly beneficial. The study concluded that these determinants are vital for sustainable profitability and long-term survival. It recommended that government support SMEs by optimizing access to finance, ICT tools, and training opportunities to enhance their performance and ensure profitability over time.

Keywords: Business sustainability, Enterprises, Finance, Profitability, Small and Medium

Introduction

Globally, Small and Medium-sized Enterprises (SMEs) are recognised as the backbone of every functional Large-scale Enterprises (Economy). Basically, Small and Medium-sized Enterprises (SMEs) are undoubtedly key drivers of the global economy. In both developing and developed nations, SMEs are frequently viewed as engines of economic prosperity due to their crucial roles in employment generation. The capacity of SMEs to ignite economic growth cannot

be overemphasized, as they contribute not only to job creation and tax revenue collection but also serve as incubators of innovation.

The increasing recognition of SMEs globally stems from their contributions to economic growth and development by reducing poverty and providing employment in their respective nations. Recent studies focusing on SMEs in Zambia have documented recurring challenges such as taxation, complicated licensing processes, cumbersome registration procedures, limited financial access, not to mention a lack of requisite skills (Seim, 2019; ZAM, 2024). Elias Mubanga, the Zambian Minister of Small and Medium Enterprise Development noted informal enterprises stagnate because of inadequate access to finance and other crucial resources. He pointed out that these entities need to focus on formalisation as it helps in building reputation and provides access to markets and financing opportunities (Lusaka Times, 2024). Seim (2019), further observed that tax compliance is undermined by low profitability, high tax rates, and mistrust in government accountability, with only 7.4% of MSMEs ever audited. Moreover, ZAM (2024) reported that an upward revision of the Turnover Tax framework increased the tax burden on small enterprises by nearly 38%, threatening their sustainability. In response, the Zambian government introduced initiatives such as the One-Stop Business Registration Centre, an online portal to simplify registration, and tax relief programs to support SMEs (MJ Consultants, 2023).

In Nigeria, the situation mirrors that of Zambia, as SMEs have not performed to their expected potential. This is evidenced by the prevailing economic conditions that have driven a growing call for self-employment and entrepreneurship (Gbadamosi, 2022). Studies reveal that many Nigerian small firms fail within their first five years of operation (Adebisi & Gbegi, 2013), largely due to corruption, ineffective entrepreneurship policies, and restricted access to finance (Oladele et al., 2021). The inadequately documented SMEs in Nigeria illustrate persistent challenges such as limited access to finance due to poor documentation, lack of proper business proposal presentation, absence of sufficient collateral, and exorbitant interest rates (Adebisi & Gbegi, 2022). In order for these businesses to be sustainable, and adopt the requisite skills and techniques for sustainable, enduring success, this handful of factors must be addressed. From a financing perspective, the persistent issues of reduced competition, unfavourable regulations, and a decline in market demand continue to sideline the role of SMEs in job creation and economic development. In Nigeria, more than half of the MSMEs report inflation and a decline in consumer purchasing power as contributing factors to decreased market demand (PwC, 2024). The high cost of accessing finance remains an acute challenge, with 52% of SMEs citing stringent collateral requirements and high interest rates as their primary growth hindrances (Daily Trust, 2024).

Similarly, in the European Union, 40% of SMEs—particularly in the defense sector—struggle to secure financing, often deterred from applying due to reputational and regulatory issues (European Commission, 2024; Financial Times, 2024). These findings confirm that insufficient market demand and restricted financing access remain significant challenges globally. Carbó-Valverde, Rodríguez-Fernández, and Udell (2016) note that inadequate financial systems and poor policy environments remain major impediments. Thus, the way business is conducted has changed significantly due to the modern economic landscape marked by globalization, hypercompetition, and the digital revolution (Moshi & Matotola, 2023; Worku, 2023; Falobi et al., 2024; Gbadamosi, & Orunmuyi, 2020).).

Information and Communication Technology (ICT) applications are also essential for SME sustainability, offering benefits across a wide range of business operations. ICT enhances internal knowledge management, reduces transaction costs, and improves B2B and B2C transaction efficiency. It also strengthens external communication and customer service quality (Linus, 2023; OECD, 2021; Gbadamosi, 2016). Some research supports the view that ICT is a key enabler of economic growth. However, for SMEs to adopt e-business tools, perceived benefits must outweigh the cost of investment and maintenance. Beyond basic digital connectivity, some SMEs may still prefer traditional models, especially if digital tools do not offer significant returns. Barriers include limited in-house ICT skills, high infrastructure costs, and inadequate support services (OECD, 2021; Ishokare, and Gbadamosi, 2020). Given the vital role of SMEs in job creation, innovation, and competitiveness, adopting appropriate ICT tools is increasingly critical for long-term sustainability. Strategic investment in digital capacity can help SMEs navigate competitive pressures and access global markets.

As work practices evolve in response to globalization and technology, training provision for SMEs has had to adapt as a result of the positive correlation between structured entrepreneurial training and business startup success, which is highly relevant for SME development (Gbadamosi, 2020). Compared to large organizations, SMEs often lack dedicated training departments, have smaller budgets, lower participation in training schemes, and fewer qualified employees (Kitching & Blackburn, 2002; Hoque & Bacon, 2006; Matlay, 2004).

Performance constraining factors detailed in recent works by Adoli & Kilika (2020) and Buys (2020) continue to undermine the overall performance of SMEs. Regardless, training remains pivotal in improving the sustainability and profitability of SMEs. Strategic training has been shown to drive innovation as well as efficient and profitable operations, as demonstrated in the works of Moshi & Matotola (2023), Worku (2023), and Falobi, Yinusa, & Akinjobi (2024).

While resource constraints make training access limited, such in the case of updated accounting, IT, and management systems, adapting to contemporary practices is essential. In addition, Gbadamosi (2020) posits that sustainable economic practices can be promoted through early awareness and education, which is critical for long-term business sustainability. .

A comprehensive understanding of SME sustainability requires strategic, multi-stakeholder approaches due to the sector's complexity (Buys, 2020; Adoli & Kilika, 2020). Recognizing SMEs' pivotal role in fostering diversified and resilient economic growth, many governments are placing SME development at the centre of their economic policies. Operating any business, especially SMEs, demands considerable resources and support mechanisms to ensure stability and growth (Arthur et al., 2021; Gbadamosi, 2022).

This work is based on Ludwig von Bertalanffy's (1910- 1972) of System Theory. According to Bertalanffy's (1972) a system is a set of related components that work together in a particular environment to perform whatever functions are required to achieve the system's objectives. The open system has been identified to be appropriate for this study because it can be used to explain the relationship between independent variables: determinants of sustainable profitability (accessibility to finance, entrepreneurial training, and application of ICT and was examined with dependent variable: ssustainable profitability of SMEs.

Statement of Problem

Small and Medium Scale Enterprises (SMEs) are widely acknowledged as critical drivers of economic growth, employment generation, and innovation, especially in developing economies like Nigeria. Despite their potential, SMEs in the Ibadan Metropolis and across Nigeria continue to grapple with sustainability challenges, particularly in maintaining long-term profitability. Many of these businesses either stagnate or collapse within a few years of establishment. This trend raises concerns about the business environment variables that influence their performance and survival. Although previous studies have explored factors influencing SME performance, there remains a gap in localized research that examines how specific business environment variables impact the sustainability and profitability of SMEs in Ibadan. Without a clear understanding of these determinants, policy interventions and business strategies may remain ineffective or misaligned with the realities faced by SMEs in the region. Therefore, this study seeks to investigate the extent to which assess to finance, application of ICT and entrepreneurial training serve as determinants of the sustainable profitability of SMEs in Ibadan Metropolis.

Purpose of the Study

The specific purpose of the study are as follows;

1. To determine the extent to which access to finance relate with the sustainable profitability of SMEs.
2. To examine the extent do application of Information and Communication Technology (ICT) relate with the sustainable profitability of SMEs.
3. To investigate the influence of entrepreneurial training on the sustainable profitability of SMEs.

Research Questions

The study provided answers to the following research questions.

1. What is the extent to which access to finance relate with the sustainable profitability of SMEs?
2. To what extent do application of Information and Communication Technology (ICT) *like* the sustainable profitability of SMEs?
3. What is the influence of entrepreneurial training on the sustainable profitability of SMEs?

Methodology

The study adopted the correlational type of descriptive research design using mixed methods of QUAN+ qual to examines the extent to which independent variables (training, source of finance, accessibility and application of ICT) are related with in the sustainable profitability of SMEs. The target population of the study comprises of Small and Medium Enterprise (SMEs) owners in Ibadan metropolis, Nigeria. A multi-stage sampling procedure; simple random and purposive sampling technique was adopted for this study. In the first stage of the study, simple random sampling technique was used in selecting 10 areas in Ibadan of Oyo State. In the second stage, purposive sampling method was used to select 100 Small and Medium Enterprise (SMEs) Owners only of different sectors from the already randomly selected areas from Ibadan, Oyo State, Nigeria.

The questionnaire titled ‘Questionnaire on Business Variables as Determinant of Sustainable Profitability of SMEs in four sections, which includes biodata, application of ICT, access to finance and training was used to collect data. It was subjected to experts review to ensure it face and content validity and its reliability coefficient is $r = 0.79$ using Cronbach Alpha. Also, Interview Guide for Small and Medium Scale Enterprises was also validated using experts’ review to collect the qualitative data to complement the qualitative data. Descriptive statistics such as Pearson’s Moment Ccorrelation techniques was used in analyzing the quantitative data from the

questionnaire, while qualitative data from the oral interview were coded and concepts derived to have themes using Thematic analysis

Results

Quantitative Data Analysis

Research Question 1: What is the extent to which access to finance determines the sustainable profitability of SMEs?

Table 1: PPMC summary on the relationship the access to finance and the profitability of SMEs

Variables	N	Mean	SD	df	r-value	Sig	P
Access to finance	101	29.19	8.25	99	.195	.000	<0.05
Profitability of SMEs		26.97	39.28				

Table 1 shows the significant relationship between access to finance and profitability of SMEs. The null hypothesis was not accepted. The result revealed that there was significant relationship between access to finance and profitability of SMEs; $r_{(99)} = .195p < 0.05$. This implies that access to finance had weak influence on profitability of SMEs.

Research Question 2: To what extent do application of Information and Communication Technology determines the sustainable profitability of SMEs?

Table 2: PPMC summary on the relationship application of Information and Communication Technology and the profitability of SMEs

Variables	N	Mean	SD	df	r-value	Sig	P
Application of Information and Communication Technology	101	33.27	8.75	99	.205	.000	<0.05
Profitability of SMEs		26.97	39.28				

Table 2 shows the significant relationship between application of Information and Communication Technology and profitability of SMEs. The null hypothesis was not accepted. The result revealed that there was significant relationship between application of Information and Communication Technology (ICT) and profitability of SMEs; $r_{(99)} = .205p < 0.05$. This implies that application of Information and Communication Technology had weak influence on profitability of SMEs.

Research Question 3: What is the influence of entrepreneurial training on the sustainable profitability of SMEs?

Table 3: PPMC summary on the relationship the access to entrepreneurial training and the profitability of SMEs

Variables	N	Mean	SD	df	r-value	Sig	P
Entrepreneurial training	101	27.21	3.11	99	.122	.000	<0.05
Profitability of SMEs		16.94	2.67				

Table 3 shows the significant relationship between entrepreneurial training and profitability of SMEs. The null hypothesis was not accepted. The result revealed that there was significant relationship between entrepreneurial training and profitability of SMEs; $r(99) = .122, p < 0.05$. This implies that entrepreneurial training had weak influence on profitability of SMEs.

Qualitative Data Analysis

Thematic Analysis of the Oral Interview

To substantiate the findings of the quantitative data which evaluated determinants (that is, the application of ICT, access to finance and training) of SMEs profitability in Ibadan metropolis. Ten (10) SMEs owners in Ibadan were interviewed and the following themes were generated from the qualitative data:

Views About the Contributions of ICT Facilities to SMEs Profitability: SMEs owners were interviewed on their views on the application of ICT to their business.

ICT is very much important in my business and has increased my business profitability since all I do is with ICT such as media production and editing. All round, it has helped in delivery in terms of speed, acquisition of more knowledge and personal development. It has also helped in bringing more customers through social media advertisement. (SME owner 7, 14/01/2023).

Basically, ICT has really opened a lot of benefits for my business such as mobile locations of my stores and not just permanent environment location which would have limited my business to just walk-in customers but it has enabled the privilege of having online customers, the creation of Apps in issuing invoices to customers online without stress and also helped in the provision of website where customers can make orders with easy online payment from such customers. (SME owner 8, 14/01/2023)

Majority of these SMEs owners agreed that ICT has contributed one way or the other to their business even though a few indicated that they only made use of ICT gadgets and not the internet services due to cost and the none or unimportant need for it in their business.

Concerns as Regards Training in SMEs Operations: SMEs owners were interviewed on the benefits of training to their business. Some of the SMEs owners said that:

One of the things that has helped me as an entrepreneur is my engagement in training and in the training of others especially those working with me. It has also helped in the renewal and upgrading of new method and standard especially through outdoor training. (SME owner 1, 13/01/2023)

Training has been helpful in my business in terms of sales especially in the introduction of new products, how the product is made and how it is being used and as such improved my business. (SME owner 3, 13/01/2023)

SMEs owners believe that training would improve their businesses. However, an SME owner was worried on how training generally was carried for which he said that:

...Majorly, training in this part of the country is not done properly such that less resources is being used to train and less effectiveness is achieved. Therefore, leading to abstract training than practical. (SME owner 9, 15/01/2023)

Ways in Accessing and Increasing finance: SMEs owners interviewed on how they can increase their capital base especially through their accessibility to finance. They said that:

To increase my capital base, I tend to use short-term loan from microfinance Bank in order to buy the necessary materials that might be important and pay back as interest rate is bearable and thus increase the overall business. (SME owner 5, 13/01/2023)

I intend to increase my capital base by adding more services to the already existing service I perform. (SME owner 2, 13/01/2023)

There are so many ways I can improve my capital base through crowdfunding, loans from friends and family as well as savings. Also, through reinvesting and pulling of investors into the business. (SME owner 10, 15/01/2023)

Thus, many of the SMEs owners interviewed, preferred that their businesses were internally financed rather than externally sourcing for finance as this might involve long processes and procedures.

Discussion of Findings

Access to Finance and the Profitability of SMEs

The findings of this study revealed a significant relationship between sources and access to finance and the profitability of SMEs. This implies that access to finance directly influences the sustainable profitability of SMEs. Recent research supports this claim. According to Klynveld, Peat, Marwick, and Goerdele (2023) and PwC Nigeria (2024), limited access to formal credit remains a major constraint for small businesses due to stringent collateral requirements, high interest rates, and insufficient financial records. A study by the International Labour Organization (ILO, 2023) on enhancing SME productivity and growth further emphasized that access to affordable finance is critical for SMEs to build productive capacity, create employment, and contribute to poverty reduction. Similarly, SMEs in Africa continue to face challenges in securing loans due to the perceived risks by financial institutions (African Development Bank, 2022).

Insights from interviews revealed that most SMEs prefer internal sources of finance, such as personal savings and funds from friends and family, over external financing. Only a few indicated resorting to short-term loans for capital expansion. Several respondents cited the increasing interest rates and procedural hurdles as barriers to accessing formal credit. This observation aligns with the Pecking Order Theory (Myers & Majluf, 1984) which posits that firms prioritize internal financing and only seek external funds when internal resources are inadequate. As firms grow and mature, they gradually gain better access to external finance (Densil, 2019).

Information and Communication Technology and the Profitability of SMEs

The findings revealed a significant relationship between the application of Information and Communication Technology (ICT) and the profitability of SMEs. This suggests that the accessibility and integration of ICT enhance the sustainable profitability of SMEs. Recent studies, including those by OECD (2021), Adegbite et al. (2021), and UNCTAD (2022), affirm that ICT tools enable firms to streamline operations, enhance customer engagement, and improve overall business efficiency. From interview responses, it was noted that ICT usage facilitates faster service delivery and better interaction with customers. These insights align with OECD (2021), which highlighted that ICT tools improve knowledge management, reduce transaction costs, and enhance the reliability and speed of both B2B and B2C transactions. Furthermore, ICT is a critical driver of external communications and service quality. This aligns with the findings of Subrahmanya et al. (2020), who argued that SMEs that adopt technological innovation tend to outperform their counterparts in areas such as sales turnover, investment, and employment generation.

Entrepreneurial Training and the Profitability of SMEs

Results from this study indicate a significant relationship between entrepreneurial training and the profitability of SMEs, suggesting that such training positively influences SME profitability. This finding aligns with recent research by Moshi and Matotola (2023), who observed that entrepreneurial competencies—encompassing personal, interpersonal, and business skills—significantly enhance the profitability of sunflower oil processing SMEs in Tanzania. Similarly, Worku (2023) found that entrepreneurial skills, including business planning and financial management, are positively associated with profitability in poorly resourced retail enterprises in Johannesburg. In Nigeria, Falobi, Yinusa, and Akinjobi (2024) reported that technical and business management skills significantly impact the profitability ratios of SMEs in the Lagos Mainland area. These studies corroborate earlier research, which emphasized that

training facilitates SME expansion, enhances profitability and productivity, and provides a competitive advantage.

Furthermore, interview findings indicate that most SMEs perceive training as more beneficial than the costs incurred to acquire it. However, concerns were raised about the effectiveness of some training programs—particularly those conducted haphazardly with inadequate materials and practical components—rendering the training ineffective and abstract. This concern is echoed in the work of Akpoghol, Hanmaikyur, Kwahar, and Utile, 2023; Ishokare, and Gbadamosi, 2020; Gbadamosi, 2022), who emphasized the need for structured and relevant training programs to enhance SME performance in Nigeria.

Conclusion

The focus of the study was to investigate the determinants of sustainable profitability of SMEs in Ibadan, metropolis. The inferences drawn from this study generally are that, the three identified determinants (training, access to finance and ICT) contributed in statistical significance to attaining sustainable profitability in SMEs and their capability to exist for years. Based on these findings, it is concluded that SMEs owners should give prominence to factors such as access to finance, entrepreneurial training and application of ICT when trying to identify factors that can contribute to and also improve their growth, profit level and survival for years.

Recommendations

Based on the findings of this study, it is recommended that:

1. SMEs owners should be encouraged through availability and accessibility to numerous financial resources such as credit facilities especially from banks.
2. SMES owners should have positive attitude and mindset towards training as this will build their competence and ability to exist in the long-run.
3. SMEs should adopt the constant use of ICT and its gadgets as this will foster growth and communication within and outside their firms
4. For SMEs to remain profitable, it is necessary for government to provide an optimal level of the factors which would enhance their profitability with a strong emphasis on training, ICT, access to finance, business environment and innovation as well as research and development.

References

- Adebisi, J. F., & Gbegi, D. O. (2013). Effect of multiple taxation on the performance of small and medium-scale business enterprises: A study of West African Ceramics Ajeokuta, Kogi State. *Mediterranean Journal of Social Sciences*, 4(6), 323–334.
- Adebisi, J. F., & Gbegi, D. O. (2022). Access to finance and performance of SMEs in Nigeria: Challenges and policy implications. *Journal of Economics and Sustainable Development*, 13(1), 85–95.
- Adegbite, S., Ogunleye, A., & Fagbenro, O. (2021). Digital transformation and SME performance in Nigeria: Evidence from the manufacturing sector. *Journal of Small Business and Enterprise Development*, 28(3), 455–470.
- Adoli, M. W., & Kilika, J. M. (2020). Training practices and performance of small and medium manufacturing enterprises in Kenya. *African Journal of Business Management*, 14(6), 171–182.
- African Development Bank. (2022). Financing SMEs in Africa: Challenges and opportunities. African Development Bank.
- Akpoghol, T. V., Hanmaikyur, L. A., Kwahar, N., & Utile, J. I. (2023). Entrepreneurial training and performance of SMEs in Nigeria: The need for structured programs. *International Journal of Small Business and Entrepreneurship Research*, 11(2), 18–34.
- Amina, A., Chong, R., & Abdullahi, S. (2019). The role of SMEs in economic development: Evidence from developing countries. *International Journal of Business and Social Science*, 10(6), 65–75.
- Arthur, S., Jackline, M., Annette, M., & Baffour, A. (2021). The role of SMEs in the global economy: A review. *Journal of Entrepreneurship and Business Innovation*, 8(1), 90–104.
- Bertalanffy, L. V. (1972). The history and status of general systems theory. <https://pdfs.semanticscholar.org/b442/03ec8d6cb7acd4238c67651192b48bce862e.pdf>
- Buys, A. (2020). Training strategies for sustainable performance in African SMEs. *Journal of Human Resource and Sustainability Development*, 8(3), 132–145.
- Carbó-Valverde, S., Rodríguez-Fernández, F., & Udell, G. F. (2016). Trade credit, the financial crisis, and SME access to finance. *Journal of Money, Credit and Banking*, 48(1), 113–143.
- Daily Trust. (2024). Over 50% of SMEs cite inflation as top business challenge. Daily Trust. <https://www.dailytrust.com/>
- Densil, R. (2019). Financial maturity and access to credit among SMEs. *Journal of Finance and Business Management*, 7(4), 225–240.
- European Commission. (2024). SME financing challenges in the European Union: Annual report. Publications Office of the European Union.
- Falobi, O., Yinusa, M., & Akinjobi, F. (2024). Innovation, digitalization, and SMEs' survival in the face of hypercompetition. *Journal of Small Business and Enterprise Development*, 31(2), 145–162.
- Financial Times. (2024). Small firms in defense sector face financing difficulties. Financial Times. <https://www.ft.com/>

- Gbadamosi, T. V. (2016). Attitude as a correlate of utilization of information communication technology in instructional delivery among social studies teachers in Oyo State. *Contemporary Humanities*, 9, 116–127.
- Gbadamosi, T. V., & Orunmuyi, A. A. (2020). Students' social entrepreneurship knowledge, skills, and attitude as correlates of innovative social enterprise in University of Ibadan, Nigeria. *Nigerian Journal of Social Work Education*, 19, 155–164.
- Gbadamosi, T. V. (2022). Appraisal of impact of NYSC's Skills Acquisition and Entrepreneurial Development Programme (SAED) on entrepreneurial development of ex-corps members. *Ibadan Journal of Educational Studies*, 19(2), 59–66.
- Hoque, K., & Bacon, N. (2006). The antecedents of training activity in British small and medium-sized enterprises. *Work, Employment and Society*; 20(3):531–552.
- International Labour Organization (ILO). (2023). *Financing SMEs for inclusive growth and job creation*. ILO Publications, Geneva.
- Ishokare, M. A & Gbadamosi, T. V (2020). Youth Empowerment Programmes in Delta State Nigeria: Implication for Sustainable Development. *Journal of Sociology and Education in Africa*, 17(2): 66 - 75.
- Kitching, J., & Blackburn, R. A. (2002). *The nature of training and motivation to train in small firms*. Small Business Research Centre, Kingston University.
- Klynveld, Peat, Marwick, & Goerdele, (2023). *Access to finance: Challenges faced by African SMEs*. KPMG Insights Report. Retrieved from <https://www.kpmg.com/>
- Linus, D. J (2023). Business Environment Variables as Determinants Of Sustainable Profitability of Small and Medium Scale Enterprises (SMEs) In Ibadan Metropolis. An unpublished Project Submitted to the Department of Teacher Education, University of Ibadan.
- Lusaka Times. (2024). Minister Mubanga stresses need for SME formalization to access finance. Retrieved from <https://www.lusakatimes.com/>
- Matlay, H. (2004). Contemporary training initiatives in Britain: A sectoral study of small and medium-sized enterprises. *Education + Training*; 46(8/9):383–391.
- MJ Consultants. (2023). *Zambian SME reform initiatives and impacts*. MJ Consulting Group, Lusaka.
- Moshi, H., & Matotola, L. (2023). Digitalization and strategic training for SME sustainability in sub-Saharan Africa. *African Journal of Business and Technology*, 9(2), 45–58.
- Moshi, H., & Matotola, L. (2023). Entrepreneurial competencies and profitability of SMEs in Tanzania: Evidence from sunflower oil processors. *African Journal of Business and Technology*, 9(2), 45–58.
- Muthoni, M. (2015). Factors affecting sustainability of SMEs in Kenya: A survey of SMEs in Nairobi. *International Journal of Business and Social Science*, 6(9), 215–221.
- Myers, S. C., & Majluf, N. S. (1984). Corporate financing and investment decisions when firms have information that investors do not have. *Journal of Financial Economics* 13(2):187–221.
- OECD. (2021). *Digital transformation of SMEs: Policies for the future*. OECD Publishing. <https://doi.org/10.1787/bdb9256a-en>

- Oladele, P. O., Afolabi, O. A., Hassan, R. M., & Salami, A. O. (2021). The role of financial access in SME growth in Nigeria. *Journal of African Business*, 22(2), 187–205.
- PwC. (2024). *MSME Survey: Challenges and opportunities for Nigerian SMEs*. Retrieved from <https://www.pwc.com/>
- PwC Nigeria. (2024). *MSME Survey: Navigating inflation and financial challenges*. Retrieved from <https://www.pwc.com/ng/>
- Seim, L. (2019). Barriers to formalization and SME growth in Zambia. *World Bank Policy Research Working Paper No. 8790*.
- Sorasalmi, M., & Tuovinen, T. (2016). Challenges of SMEs in emerging economies: Institutional perspective. *Journal of Business Research*, 69(10), 4373–4378.
- Staelens, L., Desiere, S., Louche, C., & D’ttasese, E. (2018). SMEs and inclusive growth: Evidence from developing countries. *Development Policy Review*, 36(2), 131–150.
- Subrahmanya, M. H. B., Mathirajan, M., & Krishnaswamy, K. N. (2020). Technology innovation and SME performance in India. *Technovation*; 94–95:102008. <https://doi.org/10.1016/j.technovation.2017.12.001>
- UNCTAD. (2022). *Harnessing ICT for SME growth in developing economies*. United Nations Conference on Trade and Development, Geneva.
- Worku, Z. (2023). Training, innovation, and performance of SMEs in the digital age. *Journal of Developmental Entrepreneurship*; 28(1):1–20.
- Zambia Association of Manufacturers (ZAM). (2024). *Annual report on SME taxation and regulation in Zambia*. ZAM Publications, Lusaka.