The effect of credit accessibility on small and medium enterprises growth in Nigeria: The moderating effect of government policy

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Abstract

It has been noticed that the bureaucratic procedures of government policies can either hinder or boost entrepreneurship activities which can be measured from their performance and contribution to growth. This study focused on the moderating effect of government policies on the relationship between deposit money banks' credit accessibility and SMEs' growth in Nigeria. Ex-post facto research design was adopted and data were sourced from companies' annual report and relevant text books. The result of the multiple regression analysis reveals that government policy had negative and insignificant moderating effect on the relationship between deposit money banks' internal and external factors of credit accessibility and SMEs growth in Nigeria. Based on this finding, the study recommended that government and stakeholders in the sector should ensure easy accessibility of credit, legislation, institutional restructuring and protection to enhance the performance of SMEs.

Keywords: Deposit Money Banks, Government policies, Nigeria and SMEs' growth

1. Introduction

The development and growth of Small and Medium Enterprises (SMEs) is very much dependent on the accessibility of finance. However, the financing of SMEs has always been a problem to the Government and Financial institutions concerned. What is common to most SMEs anywhere is the chronic problem of lack of adequate capital and credit facilities for sustaining their growth and development. They are also characterised by lack of proper strategies that will propel their growth and survival.

Despite the above chronic problem faced by SMEs, they are recognised globally as the engine of economic growth and development (Eneh, 2010 & Ogechukwu, 2011). The Nigerian government is not left out in this recognition. This is why more than three decades ago, the government shifted policy with greater emphasis towards SMEs as a means of fostering economic development. This is in recognition of the fact that after about four decades ago of adopting an industrialization strategy based on large industries, mostly of the assembly type, Nigeria has achieved only a fragile industrial development (Odumesi, 2018). As at then, most of the large-scale industries tended to be capital intensive in nature and inappropriate given the country's resources endowment. Based on this, their capital equipment and technical manpower were largely imported.

There are many sources of funds but one of the major sources of funds for the survival of the SMEs to perform their expected role of industrialization and economic growth is deposit money banks' credit. The banks are expected to assist SMEs in financing their activities based on their financial intermediation. But in most developing countries including Nigeria, small and medium scale enterprises are plagued with paucity of capital, thus affecting their ability to grow (World Bank, 2013).The fact that SMEs have been generally acknowledged across the globe as the engine of economic growth, banks are expected to provide financial support for the growth. It is therefore the objective of this paper to examine how well the Deposit money banks in Nigeria have extended credit to the small and medium scale enterprises to facilitate the growth.

Entrepreneurship activities in most developing countries such as Nigeria are primarily based on necessity. Though, government policies for SMEs vary from country to country but attributed to variations in social and custom values, the number of industry and business settings (Naudé, Szirmai & Goedhuys, 2011). It was further noted by Eniola (2015) that Government regulations and their bureaucratic procedures can hinder as well as facilitate entrepreneurship activity such as new business originations. Some government policies have been seen to boost the activities of SMEs while some on the other hand are hindering their growth and performance. However, it is generally expected that government policies anywhere in the World will create competitiveness and promote the ambition of SMEs, but in some cases they are found to be causing setback for some them.

Therefore, this paper that is aimed at determining the moderating effect of government policy on the relationship between deposit money banks' credit accessibility and SMEs growth in Nigeria is structured along introduction, literature review, methodology, results presentation, and conclusion and recommendation.

Statement of Hypothesis

H_0 *Government policy has no significant moderating effect on the relationship between Deposit money banks' internal and external factors of credit accessibility on SMEs growth in Nigeria.*

2. Literature Review

2.1 An Overview of SMEs in Nigeria

Nigeria is regarded as the most populous Nation in Africa blessed with diverse natural resources that are not fully exploited to alleviate the country's economic growth. The Nigerian government is known to have over depended on Oil revenue for more than four decades at the expense of other sectors of the economy (Osinbajo, 2015). The country is ranked as the 8th largest producer of Crude Oil in the world (OPEC, 2014). The country's 36 States is divided into six (6) geo-political zones of North East, North West, North Central, South East, South West and South-South, plus the Federal Capital Territory as the seat of the national government. The country suffers from the problem of self-centered leaders that are not focused oriented. The poor leadership in the country has made the country to derail economically and politically.

In literature, there is no clear-cut definition of SME. Over time, the concept is faced with varieties from organization to organization (World Bank, 2013). The description of a business as either large, medium or small enterprise is a function of the yardstick used to measure its size.

What is considered and rated as small on one's point of view may be considered a large enterprise in another point of view. In most cases, the number of employees in the firm's payroll is the most widely used criterion. At different times, different organizations or institutions in Nigeria have defined SME in various ways, but the definitions have standard yardsticks in terms of fixed assets, gross output, and the number of employees. Therefore, SMEs are defined based on the number of employees and total assets in Nigerian Naira (NGN), excluding land and building (NBS & SMEDAN, 2013; Ogechukwu, 2011).

According to Ayegbusi (2004), SME is defined as an enterprise with investment capital of up to one Hundred and Fifty Thousand Naira (N150, 000) and employs not more than fifty (50) persons or workers. Some definitions did not clearly differentiate micro, small and medium scale businesses, they only categorised business as small if workers are between 30-50 and investment capital N150, 000-N250, 000. The Central Bank of Nigeria in its Monetary Policy Circular No. 22 of 1988, defined small scale enterprise as having an annual turnover not exceeding 500,000 naira. Also, the National council of Industry (1991) cited in Osotimehin, Jegede, Akinlabi and Olajide (2012) defined small scale industry as industries with total project cost excluding capital of land but including working capital that does not exceed N5million and in 2009, the same council redefined it as the business enterprise whose total costs excluding land is not more than N2milliom.

2.2 Credit Accessibility and SMEs Growth

It has been established in literature that small businesses are playing key roles in transition and developing countries (UKEssays, 2018). Record shows that they account for more than 90% of all firms outside the white-collar jobs sector, constituting a major source of employment and generating significant domestic and export earnings. It was further found in the UKEssay that SME development is known and seen as the key instrument of alleviating poverty. Also, the World Bank review of SMEs' activities establishes the commitment to the development of SMEs' sector as a core objective in its strategy to foster economic growth, employment, and alleviation of poverty (World Bank, 2012).

As argued by Taiwo and Faloun (2016), lack of access to institutional finance has always constituted a pandemic problem for SME development in Nigeria. The problem of SME financing has received tremendous research efforts from researchers (Olutoye, 2015; Wang, 2016). In their findings, four problems in financing SMEs have become recurrent: the cost of capital; risk; the inappropriate terms on bank loans; and the shortage of equity capital which over the years have made government to enact various policies and introduce schemes aimed at financing SMEs.

Using current perspective to examine the factors affecting investment, productivity and growth of SMEs by employing the World Bank Enterprise Survey in Nigeria, a study found that educated labour force, access to infrastructure, access to finance, size of firms and other business climate variables affect SMEs more (Ejikeme, 2013). Other business climate variables are insecurity, bribery or corruption, the amount of time that businesses spend dealing with government regulation, poor power availability (Fatoki, 2013). Using a survey of 2,676 firms, Igwe, Amaugo, Ogundana, Egere and Anibgo (2018) found access to finance (33.1%), access to electricity (27.2%) and the level of corruption (12.7%) were the most ranked obstacles for business owners.

Typically, Ajuwon, Ikhide and Akotey (2018) found that more transaction costs are incurred by SMEs than larger enterprises in accessing credit. Lack of sound management and accounting practices have hampered the ability of SMEs to raise finance. Information asymmetries associated with lending to small-scale borrowers have restricted the flow of finance to SMEs (OECD, (2017). In spite of these claims, studies by Taiwo (2016), Kamwale & Karodia (2015), differ in their findings that a large number of small enterprises fail because of non-financial reasons such as a lack of forecasting or planning skills, a lack of skilled human resources and poor management practices. It is widely acknowledged that SMEs being labour intensive in nature have the potential of reducing the capital cost of creating new jobs (Taiwo, 2016). This opportunity may fail if the current financial problems and lack of management skills such as human resources, marketing and general management are not fully addressed.

2.3 Government Policies

Policy represents a particular political, ethical, or programmatic viewpoint. Governmental policy reflects theoretical or experiential assumptions about what is required to resolve a particular issue or problem. Odusola (2006) also described government policy as any course of action that intends to change certain situation. In Nigeria, both federal and state governments formulate policies, it can therefore be said to be from multiple sources.

There are no static government support policies for SMEs anywhere in the World, it varies from country to country in view of differences in the level of industrialization, culture business context (Eniola & Entebang, 2015). However, the government has realized that if the SMEs are given the appropriate encouragement, they can generate employment and boost the Gross Domestic Product (GDP). Studies carried out by various organization (Eniola, 2014), have shown that the only way the existing industries can expand to provide jobs and opportunities is to integrate backward and maximize the use of local raw materials. This centers on one of the reasons why government adopted the Structural Adjustment program (SAP) in 1986. Thus, it becomes necessary to properly identify investment opportunities within the scope of SMEs and tailor our financial resources to the needs of those enterprises. No wonder while in 1989 budget, government promised to give more attention to SMEs development in view of their importance as engine of growth and in fact that they are most conducive to the creation of more jobs per unit of naira investment (Odumesi, 2018).

To further appreciate the importance of SMEs in Nigeria, arrays of finance support intervention/initiatives are rolled out by government and or her agencies, sometimes in partnership with the World Bank. However, there are policies rolled out by monetary authorities in the country from 1992-1996 which is referred to as the Period of mandatory credit allocation which stipulated that every bank must give 20 percent of their total credits to SMEs, banks' pre-consolidation era from 1997 to 2005 and banks' post-consolidation period from 2006 to date.

Before 1992, many other programmes were also set up which included Small Scale Industries Credit Guarantee Scheme in 1971, Agricultural Credit Guarantee Scheme in 1973, Nigeria Agriculture and

Co-operative Bank in 1973, Nigerian Bank for Commerce and Industry in 1973, Rural Banking Scheme in 1977 and African Development Bank - Export Stimulation Loan Scheme (ADB-ESL) in 1988. The World Bank Assisted SME I (1985) and the World Bank Assisted SME II (1990), Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) in 2004, Bank of Industry N500Billion Intervention Fund in 2006, SMEIES etc. Also, the CBN in July 2013 launched another financing option/ programme targeted at micro and small businesses to be administered as micro credit by the micro finance banks, finance houses and other agencies, but not Deposit Money Banks. All these put together, there is still problem of credit accessibility by SMEs in Nigeria.

2.4 Theoretical Review

The theoretical review is anchored on work whose assumptions have been tested and accepted nationally and internationally in literature. This paper therefore discusses Ability- to- pay Theory of Taxation.

The Ability - to - Pay Theory

Going by the name, the theory says that one should be taxed according to the ability and capacity to pay. Put differently, it says that public expenditure should come from 'him that hath' instead of 'him that hath not'. The origin of the theory can be traced back to sixteenth century as scientifically extended by Jean Jacques Rousseau (1712-1778) - a Swiss Philosopher and the English Economist John Stuart Mill (1806-1873). This is simply an attempt to maximise an explicit value judgment about the distributive effects of taxes which is indeed the basis of 'progressive tax', as the tax rate increases by the increase of the taxable amount which is considered as the most equitable tax system that has been widely used in industrialised economies. As said by Bhartia (2009), a citizen is to pay tax just because he can, and his relative share in the total tax burden is to be determined by his relative paying capacity. The proponents of the ability - to - pay taxation argue that the payment is on the grounds of sacrifice which is viewed as a deprivation on the tax payer because he surrendered money to the government that would have been put into personal use while the critics argue that it is fundamentally unfair as it is seen to penalize hard work and success and reduces the incentive to make more money. Relating this to SMEs growth, Tomlin (2008) argue that the resources of smaller companies direct towards tax compliance are resources that could have otherwise be used for reinvestment that will facilitating future growth. Thus, there is a belief that taxes and a complex tax system put disproportionate pressure on smaller businesses.

3. Methodology

The research design adopted for this study is *Ex-post facto*. Secondary data was used in the study. The choice of secondary data for the research is because of its examination of facts after their occurrence with interference. The objective of the work was to determine the moderating effect of government policies on deposit money banks and SMEs growth so as to deepen insight. The study has group of variables which include independent and dependent variables. The independent variable is measured by banks' internal factors of bank size, interest rate, liquidity ratio, and credit risk and the external factors is measured by cash reserve requirement, exchange rate, and inflation while the dependent variable is measured by SMEs' growth proxy by contribution to GDP. However, government policy is the moderating variable. Data were gathered from CBN statistical bulletin and banks' reports for over a period (1980-2015) and companies on various government policies proxy by Company Income Tax. This is because the company income tax as a policy instrument is a direct tax imposed on the income of all registered companies regardless of their size. The validity of the data was ascribed to the legal framework that established the institutions and the audited financial reports of companies which validate their dependability. The sourced data were subjected to pre and post diagnostic tests. The data were analyzed with the use of descriptive hierarchical regression analysis.

$Y_t = f(X_t Z_t)$

Y = SMEs Growth.

X = Deposit Money Banks' Credit Accessibility Factors (x_1, x_2)

Where X_1 = Internal factors

X_2 = External factors

$X_1 = (x_{1a}, x_{1b}, x_{1c}\ x_{1d})$

Where:

x_{1a} = Bank Size (BS)

x_{1b} = Interest Rate (IR)

x_{1c} = Liquidity Ratio (LR)

x_{1d} = Credit Risk (CR)

$x_2 = (x_{2a}, x_{2b}, x_{2c})$

Where:

x_{2a} = Cash Reserve Requirement (CRR)

x_{2b} = Exchange Rate (ER)

x_{2c} = Inflation Rate INF)

Moderating Variable = Z

Where Z = Government Policy (GP)

$SMEG_t = \beta_0 + \beta_{1DMBCAt} + \beta_{zGPt} + \beta_{1DMBCAF*GPt} + e_t$ (eq.1)

Where: β_0 = Constant Term

β_1 = Coefficient of Deposit Money Banks' Credit Aaccessibility Factors

β_z= Coefficient of government policy

β_{1z} = Coefficient of interaction of Deposit money banks' Credit Accessibilityand Government Policy

e_t= Error Term

This means that the *a priori* expectation is Rejected if $\beta_1 \geq 0$and $\rho \leq 0.05$; otherwise do not reject. However, the data treatment was subjected to ethical considerations in areas of non-falsification and manipulation of data. The data were not mined to suit the research purpose, rather undergone treatment to establish their authenticity both in results and interpretations.

4. Results and Discussions

The Table 1 below provided insight into the data used and also the main features of the data. The descriptions of the data series were based on mean, maximum, minimum and standard deviations of all the variables so as to get insights into the data.

Table 1

Descriptive Statistics of the Variables

	BS	CR	CRR	ER	GP	IR	LR	IRT	SMEGR
Mean	5.563333	24.95556	9.153889	75.65748	0.758889	18.17944	46.16667	14.13278	14.30806
Median	4.240000	21.20000	9.750000	82.73000	0.300000	18.75000	45.40000	10.91500	14.23500
Maximum	16.10000	50.00000	20.00000	197.5000	3.98 0000	36.89000	65.10000	72.81000	17.60000
Minimum	2.200000	3.000000	1.000000	0.546400	0.300000	6.000000	29.10000	1.650000	11.62000
Std. Dev.	3.570569	14.99014	4.214758	63.71991	1.049059	7.856896	9.828966	12.95920	1.313451
Skewness	1.492052	0.184031	0.023605	0.048926	2.172805	0.340207	0.314170	2.942775	0.235915
Kurtosis	4.284826	1.690554	3.169945	1.501245	6.298036	2.372221	2.468979	13.14427	3.026078
Jarque-Bera	15.83347	2.775177	0.046665	3.383761	44.64206	1.285603	1.015190	206.3189	0.334957
Probability	0.000365	0.249677	0.976937	0.184173	0.000000	0.525817	0.601941	0.000000	0.845795
Observations	36	36	36	36	36	36	36	36	36

Source: Computation by the Researcher.

The averages of the variables as indicate in Table 1 above are5.563333, 24.95556, 9.153889, 75.65748, 0.758889, 18.17944, 18.17944, 46.16667, 14.13278, and 14.30806 for bank size (BS), credit risk (CR), cash reserve ratio (CRR), exchange rate (ER), government policy (GP), interest rate (IR), liquidity ratio (LR), inflation rate (INF), and small and medium scale enterprises growth (SMEGR) respectively. The mean values of the variables indicate that there are no outliers in the series since the standard deviation of the series is less than their respective series.

The maximum values of the variables are 16.10000, 50.00000, 20.00000, 197.5000, 3.980000, 36.89000, 65.10000, 72.81000, and 17.60000 for bank size (BS), credit risk (CR), cash reserve ratio (CRR), exchange rate (ER), government policy (GP), interest rate (IR), liquidity ratio (LR), inflation rate (INF), and small and medium scale enterprises growth (SMEGR) while the minimum values of the variables are 2.200000, 3.000000, 1.000000, 0.546400, 0.300000, 6.000000, 29.10000, 1.650000, and 11.62000 respectively.

Also, the standard deviation showed that exchange rate (63.71991) was the most volatile variable in the time series thereby posing the highest risk. This is followed by CR (14.99014) while GP (1.049059) was the least volatile of the time series thereby posing the lowest risk. Besides, all the variables except exchange rate (ER) and credit risk (CR) recorded excess positive kurtosis, suggesting that they individually posed lesser risk of extreme values.

The Jarque-Bera (JB) statistic rejected the null hypothesis of normal distribution for bank size (BS), government policy (GP), and inflation rate (INF) at 5% critical value and their JB statistics is very high, indicating non-normality of the series while credit risk (CR), cash reserve ratio (CRR), exchange rate (ER), interest rate (IR), liquidity ratio (LR), and small and medium scale enterprises growth (SMEGR) are normally distributed, their Jarque-Bera statistic could not reject the null hypothesis of normal distribution at 5% critical value, as their JB probability is greater than 5%. Therefore, bank size (BS), government policy (GP), and inflation rate (INF) are log transformed to attain their normality before further analysis. The tested hypothesis was Government policy has no significant moderating effect on the relationship between Deposits money banks' internal and external factors of credit accessibility on SMEs growth in Nigeria from 1980-2015.

To achieve this objective, data on internal and external factors credit accessibility to SMEs was multiplied with that of government policy to create an interaction variable. The hypothesis would be supported if the effect of the interaction variable is statistically significant. The regression analysis based on the standardized scores for the independent and moderating variables yielded the results presented in Tables 2 and 3.

Table 2: Regression (OLS) Results for Moderating Effect of Government Policy on internal and external factors' variables of credit accessibility on SMEs' growth in Nigeria

Model Summary									
					Change Statistics				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df	Sig. F Change
1	.223[a]	.050	-.008	1.319	.050	.865	2	33	.430
2	.233[b]	.054	-.034	1.336	.005	.158	1	32	.694
3	.235[c]	.055	-.067	1.356	.001	.030	1	31	.864
a. Predictors: (Constant), Government Policy, External Factor									
b. Predictors: (Constant), Government Policy, External Factor, Internal Factor									
*c. Predictors: (Constant), Government Policy, External Factor, Internal Factor, Internal Factor*External Factor*Government Policy*									

Source: Researcher's Computation.

Table 2 shows hierarchical multiple regression results of moderating effect of government policy on the relationship between deposit money banks' internal and external factors of credit accessibility and SMEs' growth in Nigeria. From table 2 Model 1 shows that R = 0.223, R^2 = 0.050 and [F (2/23) = 0.865, p = 0.430]. The value of R^2 indicates that 5% of the variance in the SMEs growth in Nigeria can be accounted by deposit money banks' internal and external factors of credit accessibility. Model 2 in Table 2 shows that R = 0.233, R^2 = 0.054 and [F (1/32) = 0.158, p = 0.694]. The value of R^2 indicates that 5.4% of the variance in the SMEs growth in Nigeria can be accounted by deposit money banks' internal and external factors of credit accessibility and government policy. Model 3 in Table 2 shows the results after the interaction term (Deposit money banks' internal and external factors of credit accessibility and government policy) was added into the model.

Table 2 also indicates that the inclusion of the interaction term resulted into an R^2 change of .001, [F Change = 0.030, p = 0.864] showing absence of significant moderating effect. From the analysis, the moderating effect of government policy produce 0.001% variance in the SMEs growth in Nigeria, below the variance by deposit money banks' internal and external factors of credit accessibility and government policy. For decision makings on moderation analysis, the amount of change in R^2 is a measure of the increase in predictive power of a particular dependent variable or variables, given the dependent variable or variables already in the model.

Furthermore, Table 3 presents the regression estimate of the model.

Table 3: Regression Coefficients

Coefficients						
Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**T**	**Sig.**
		B	**Std. Error**	**Beta**		
1	(Constant)	14.195	.570		24.884	.000
	External Factor	.002	.004	.120	.601	.552
	Government Policy	-.170	.249	-.136	-.685	.498
2	(Constant)	13.702	1.369		10.013	.000
	External Factor	.003	.004	.141	.675	.504
	Government Policy	-.150	.258	-.120	-.581	.565
	Internal Factor	.005	.012	.071	.397	.694
3	(Constant)	13.374	2.358		5.673	.000
	External Factor	.004	.009	.207	.471	.641
	Government Policy	-.036	.707	-.029	-.052	.959
	Internal Factor	.008	.021	.117	.362	.720
	Internal Factor*External Factor*Government Policy	-4.538E-005	.000	-.087	-.172	.864
a. Dependent Variable: SMEs Growth						

Source: Researcher's Computation.

Model 3 shows the regression estimates of moderating effect of government policy on the relationship between deposit money banks' internal and external factors of credit accessibility and SMEs growth in Nigeria. The regression estimates of the interaction term (β = -4.538E-005, p>0.05) shows that government policy has negative and insignificant moderating effect on the relationship between deposit money banks' internal and external factors of credit accessibility and SMEs growth in

Nigeria since p-value is greater than 5%. Based on the findings, the hypothesis which states that government policy has no significant moderating effect on the relationship between deposit money banks' internal and external factors of credit accessibility and SMEs growth in Nigeria cannot be rejected.

From the regression estimate of the interaction term (β = -4.538E-005, p>0.05) shows that government policy has negative and insignificant moderating effect on the relationship between deposit money banks' internal and external factors of credit accessibility and SMEs growth in Nigeria since p-value is greater than 5%. This finding supports and adds value to the finding of Akinbogun (2008) who examined the impact of infrastructure on Government policies on growth and survival of small-scale ceramic industries in South-West of Nigeria. The study found that the infrastructural facilities and government policies have no influence on the growth and survival of viable small-scale ceramic industries in Nigeria. The findings of the present study also coincide with the finding of Olaoye, Oyedeji & Abgaje (2018) which noted that most of the schemes are hardly designed to address the real issues. They are merely to create impression that the leadership in the country cares and show willingness to attend to the needs of people, hence a mere programme of impression. The programmes so designed are usually half-hearted, ill-conceived and without touch with the reality (Olutoye, 2015) and are only intended to create impressions.

The finding of this study also corroborates the finding of Udot and Etim (2017) which analyzed the effect of Tax revenue components from SMEs on the economic growth of Nigeria from 1980-2015. The priori expectations that all the independent variables studied would be positively significant was rejected as the regression results coefficients for the whole. The researchers established that relationship subsists between SMEs development and tax policies in Nigeria thereby corroborating the assertion of SMEDAN that SMEs account for about 80% of Nigeria's GDP.

Okoh (2015) also revealed that custom and excise duties (CED) though statistically significant, relate negatively with SMEs agricultural outputs (VAO). However, the study conducted by Oluwaremi, Odelabu, Lawal and Obisesan (2016) on governmental tax incentives on the growth and development of SMEs growth in developing economy with special focus on Nigeria is contrary to the finding of this study. The study found that there was a significant correlation between taxation and SMEs' growth. Based on the findings and supporting literature, the hypothesis which states that government policy has no significant moderating effect on the relationship between deposit money banks' internal and external factors of credit accessibility and SMEs growth in Nigeria cannot be rejected.

6. Conclusion and Recommendations

6.1 Conclusion

No doubt, SMEs have become the focus of every government Worldwide as a source of economic growth and development in view of its acknowledged contribution. Availability of credit from Deposit Money Banks to them is seen as a necessary ingredient to improving the contribution of the sub-sector. It can also be seen from the preceding that government policies should be tailored towards favoring the enterprises in view of its moderating role between Banks' credit accessibility and SMEs growth. In Nigeria, various government policies to promote the enterprise achieved little or nothing due to poor implementation, lack of access to banks' finance, inconsistency in policies making and procedures and other administrative bottle-necks having found that that government policy had negative and insignificant moderating effect on the relationship between deposit money banks' internal and external factors of credit accessibility and SMEs growth in Nigeria.

6.2 Implication of Finding
The finding of this study has implications for Entrepreneurs, government, deposit money banks, and academics.

6.2.1 To Entrepreneurs
From the study, it has been confirmed that the major constraint facing SMEs is the difficulty in accessing credit from banks; hence group loan or collective financing could be an option since moral harzard constituted major perception issues from the bankers' perspective.

6.2.2 To government
- The result from the study will signal to government the need to regularly review their existing policies (Tax) to ensure they achieve their purposes.
- It will encourage government to be proactive in policy making.

6.2.3 To Deposit money banks
From the study, it was found that difficulty in accessing credit is one of the major problems of SMEs, as such banks and CBN should ensure and enforce policies that enhance banks' liquidity in order to avail loan to SMEs.

6.2.4 To Academics
Future researchers especially in the field of entrepreneurship and financing can build on this work and contextualize it better within the Nigerian environment. Students of entrepreneurship and even those that are novice to the field can pick up this study and better understand the concept of the study and relate to it.

6.3 Limitation of the Study
The finding of this study should be viewed with few limitations in mind. The sample of the study is limited to only deposit money banks in Nigeria. The study does not investigate other financial institutions like Mortgage financial institutions, Investment banks and Microfinance banks. This limitation might cause sampling bias. Despite this limitation, the findings have enhanced the frontiers of knowledge and contributed to the literatures on the Moderating effect of government policies on deposit money banks' credit accessibility and Small and Medium Enterprises' (SMEs) growth in Nigeria

6.4 Suggestions for Further Studies
This study was carried out using deposit money banks. Further studies can examine Investment and Microfinance banks in Nigeria. Such studies will help to establish the extent to which credit accessibility has affected the operations of such banks in the country in terms of financing and growth of SMEs in Nigeria while other variables can even be introduced. This will enable the government to determine the strategies to use to combat the challenges SMEs face in accessing credit among banks in Nigeria.

Scholars can also extend investigation to other Anglo-Phone West African countries using the same variables in order to compare the effects of deposit money banks' credit accessibility on SMEs growth in those countries. It is suggested that further research is needed to confirm the findings of this study.

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