

FINANCIAL ACCESS, ENTREPRENEURIAL RESILIENCE AND FIRM PERFORMANCE AMONG SMALL AND MEDIUM-SIZED ENTERPRISES IN NIGERIA

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Abstract

This study examines the relationship between financial access, entrepreneurial resilience and firm performance among small and medium-sized enterprises (SMEs) in Nigeria. The study was motivated by the persistent financing constraints confronting SMEs and the need to understand how entrepreneurs utilise financial resources to withstand and adapt to business adversity. Drawing on the Resource-Based View and Dynamic Capabilities Theory, the study develops a framework in which financial access influences firm performance directly and indirectly through entrepreneurial resilience. A quantitative research design was employed, with data collected from SME owners and managers through a structured questionnaire. The data were analysed using multiple regression and mediation analysis. The results indicated that financial access had a positive and significant effect on firm performance and entrepreneurial resilience. Entrepreneurial resilience also had a positive and significant effect on firm performance. Furthermore, the mediation analysis indicates that entrepreneurial resilience partially mediates the relationship between financial access and firm performance which suggested that access to finance improves firms' outcomes both directly and indirectly, by strengthening entrepreneurs' capacity to withstand, adapt to and recover from adverse business conditions. The paper concluded that improving SME performance requires not only increased access to affordable finance but also deliberate efforts to develop entrepreneurs' adaptive and resilience capabilities.

Keywords: Financial Access; Entrepreneurial Resilience; Firm Performance; SMEs; Entrepreneurship.