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Financial Strategies for Sustainability of Small- and Medium-Sized Enterprises in Nigeria: The Agriculture Sector Outlook

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Abstract

Although small and medium enterprises (SMEs) contribute significantly to Nigeria's socio-economic and political development, most of the country's SMEs no longer operate by their fifth anniversary. Many owners lack knowledge of the financial strategies required for the long-term performance and growth of their enterprise. The aim of this qualitative multiple case study was to gain an in-depth understanding of financial strategies that SMEs owner-managers can adopt to enhance the sustainability of their business operations in Nigeria. This study was grounded in entrepreneurship theory and Porter's model of competitive strategy. Qualitative data from multiple sources, including semi structured interviews, scholarly works, and observational field notes, were collected. The participants were 3 SME owner-managers who employ fewer than 200 employees within the agriculture sector. Thematic analysis of data produced five themes that explained the financial strategy practices of SME owner-managers: using available financing options, entrenching strategic financial practices, embracing entrepreneurial resilience, negotiating challenges, and taking advantage of technology. The findings revealed the need for SME owner-managers to be dynamic in their financial strategy practices. By doing so, SME owner-managers may be able to sustain their businesses, which may promote positive social change through job creation, wealth distribution, technological innovation, grass-root development, and enhancement of gross domestic product.

Keywords: *Entrepreneurship, Financial Strategy, Innovation, Job Creation, Sustainability, Wealth Distribution*

1. Introduction

Despite the burgeoning research on financial strategies and their implications for organizational performance in large firms (Zimon, 2020; Zhou et al., 2020), financial strategies in small- and medium-sized firms remain an under-researched area of inquiry (Organization for Economic Co-operation and Development [OECD], 2018; Uchechara, 2017). Some scholars (e.g., Carson,1990; Darcy et al.,2014) have argued that the lack of attention is because of the misconception that small- and medium-sized enterprises (SMEs) have characteristics like large enterprises. However, Upneja et al. (2000) found that SMEs differ from large firms.

The SME sector is the propelling engine of any economy, contributing to its development via income and wealth redistribution, employment generation, poverty alleviation, rural-urban drift control, export promotion, economic diversification, savings mobilization, and technological innovation (Bello et al., 2018). As documented by the World Bank (2015), SMEs with micro-enterprises represent about 90% of businesses in operation, generating more than 50% of employment globally. SMEs operate at various levels ranging from rural, urban, regional, and national to international markets (Ikpor et al., 2017). According to the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN, 2017), in conjunction with the Nigeria Bureau of Statistics (NBS), SMEs contribute about 50% of Nigeria's gross domestic product (GDP) and account for over 80% of the country's employment.

A critical element of organizational performance is finance, and documented evidence from the literature suggests that the strategic behavior of SME owners is a defining characteristic of the management process within SME firms (World Bank, 2020). Given the relationship between financial strategies and organizational performance (Boso et al., 2017), it becomes imperative to understand SMEs' financial strategies deeply.

2.0 Literature Review

2.1 Conceptual Framework

For the conceptual framework of this study, we drew from entrepreneurship theory and Porter's competitive strategy model. Entrepreneurship theory is a framework used by entrepreneurs to understand and predict what, why, and how to exploit opportunities in the market (Packard, 2017).

Koelsch (2013) posited that entrepreneurship theory is relevant for researchers wanting to explore data for predicting and explaining a particular phenomenon. Fors and Lennefors (2019) stressed that entrepreneurship researchers are inclined to view opportunities as preexisting opportunities rather than created during strategic business operations. In contrast, Pacheco et al. (2010) argued that individual entrepreneurs create opportunities in their pursuit of sustainability. Klein (2016) conceptualized entrepreneurial theory as judgmental decision-making that occurs in a market setting under environmental uncertainty. Entrepreneurship is rooted in the evolution of economic activities and the continuous process of economic development with a focus on business creation and innovation (Thompson et al., 2020). The lifeblood of any enterprise is grounded in the relevant application of financial strategies for the adequate performance of the organization (Balmaceda, 2018).

2.1.1 The Need for Financial Strategic Management

In the lens of strategic planning and innovation processes, finance was traditionally placed on the periphery as a mere gatekeeper of financial data in contrast to integrated organizational processes (Svatošová, 2017). The current development in the finance and accounting professions has necessitated a shift in relevant categorization with more integration and careful consideration of financial performance. There is a tilt for greater incorporation of the corporate finance function in driving enterprises (Ndiaye et al., 2018). Finance offers a basic stance in valuation and monitoring, giving managers a veritable ground to evaluate the available operational alternatives in decision making. Considering the dynamism of the prevailing socio-economic and political environment, which vehemently impacted startup enterprises' financial stability and solvency, this development is gaining more relevance than ever before among researchers and practitioners. Financial strategy and associated finance management are fundamental in driving a successful entrepreneurial venture (Svatošová, 2019). A financial strategy must be comprehensively understood as a critical element driving SMEs.

According to Brigham & Houston (2019), finance is the "cornerstone of the enterprise system"; effective management of finance portends sound health to all the firms and by extension to the nation and the global village (p. xxii). Finance is made up of three interconnected parts:

i) Money and capital markets focus on the securities market and financial institutions.
ii) Investments are concerned with the decisions made by investing individuals and institutions as they choose their portfolios of investments.
iii) Financial management, also termed business finance, is associated with decisions related to an organization's finance.

Finance management shares the greatest part of the three areas (Brigham & Houston, 2019). Financial management primarily functions as driving force of any organization. With credence to this function, bases are determined for authority levels of financial control, budgeting, and processing of financial resulting information. The financial plan determines cash inflow and outflows of the treasury. Dynamism in the management practices of organizations is mirrored through financial management and reflects the future of an entity's best practices as it helps develop a sound legal framework and responsibilities to employees (Brigham & Ehrhardt, 2019). Financial Management deals with planning, organizing, directing, and controlling the financial activities in procuring and utilizing enterprise funds. This entails the application of general principles of management in handling enterprises' financial resources. Yacob (1996) argued that financial management is associated with all management areas as it pertains not only to financing sources and finance utilization in the enterprises but also to the financial involvements of investment, production, marketing, or personal decisions and the enterprise's total performance.

2.1.2 Sustainability of SMEs

The sustainability stance of enterprises, including SMEs, is impossible without an effective system of financial strategy to ensure the implementation of the economic goal and provision of relevant long-term financial objectives and the complementary approaches to achieving them (Nosach & Liebiedieva, 2018). Finance plays a critical role in the operating decisions of enterprises, which basically consist of valuation and monitoring, thereby helping managers evaluate available operational alternatives and monitor decisions already implemented by them (Svatošová, 2017). The increase in the critical role of financial management in the general activities of enterprises poses new challenges for managers of organizations. However, it seems surprising that despite the critical role of finance in the performance of an enterprise, only a little space has been created in articles on the place of financial strategy for SMEs' growth and performance. There is a need for an in-depth understanding of financial strategies as a critical element in the successful driving of enterprises.

In the foregoing regard, Canto-Cuevas (2019) outlined three basic stages of financial management:

i) Formulation of strategy, which entails the determination of unique ways on how or ways of satisfying customer preferences
ii) Allocation of resources, which entails the funding and staffing of strategic initiatives and accompanying processes to satisfy customers
iii) The measurement of performance involves the assessment of the business activities concerning success or failure.

Ogilvie (2009) categorized the practical applications of financial management into three stances of decision making: investment, financing, and dividend. This position reflects the manager's responsibility to secure financial resources and manage those resources accordingly.

Strategy is a word that has gained wide usage among academics and practitioners in their various press releases and related publications as firms crave to adapt and evolve in an increasing convolution of the global market (Smith, 2014). Strategy is a Greek word that originated from the military approach to combating challenges; in which the term, a business strategy emerged in the 1960s as a field of learning and practice, and as suggested by Ronda-Pupo and Gurras (2012) that the concept of strategy came to limelight as a result of the cravings for the need to help organizational leaders to grapple with the chaotic manifestations of events and decisions they faced on a daily operation. In the military, strategy is associated with drafting the plan of war, shaping the campaigns of individuals, and the related engagements. This strategy is made in advance to implement actions, which could be consciously or purposefully designed and may be explicitly documented as a plan. Drucker (1974) viewed strategy as a "purposeful action" (p.104); Moore (1959) deemed strategy as a "design for action" as he preferred not to associate the word with plan per se because of its static connotations (pp.220, 226). The term strategy and competition before this time was rarely used in the most popular literature. Ronda-Pupo and Gurras (2012) explained the evolution of strategic management by analyzing the object of study in this field of strategy. Strategic management entails studying how business enterprises grow and are maintained over time. Accordingly, Porter (1991) documented a relationship between environmental factors, firm behavior, and eventual market outcomes. The ability of the enterprise to grow is a function of the combination of the attractiveness of the industry, the relative position of the enterprise within the industry, and the enterprise's choices which are made in reaction to or as a proactive attack ensuing from its competitors in the system (Porter, 1991).

As a prerequisite for the success of any organization, it is necessary to design a strategic plan that will establish the entity on the path of growth and competitiveness (Gould, 2019). The organization's management will have to undertake relevant analysis of all the data that consists of the financial records to ensure that the firm is positioned for profit-making, competitive stance and remains in the growth trajectory. However, it may be a concern to distinguish strategy from modest decision-making when discussing financial strategy. Bierman (1980) offered five elements and associated four approaches he deemed necessary for corporate financial managers to take into cognizance as they plan for the organization's strategies: (a) Identify the problems and opportunities that exist. (b) The setting of goals and objectives. (c) Developing a procedural path for offering potential solutions or "paths" that the organization could follow to find a solution. (d) Choosing the best solution considering the possible solutions and the organization's objectives. (e) Implementing a review process for possible evaluation of the performance from the best solution. The five elements are comprehensive and offer the financial manager the stance to weigh extensive financial decisions that pertain to the organization's health. It may be relevant for the organization to pursue considerable growth with minimum risk for a defined period; it becomes necessary for the financial management team to consider these factors when designing its strategic financial plan.

Mintzberg (1987) offered five definitional elements of strategy (a) plan, (b) pattern, (c) position, (d) ploy, and (e) perspective, with which you can view various approaches of strategy from different angles and perspectives. This approach is in concurrence with strategy as identical to a directed cause of action in achieving set goals with a certain degree of consistency, identifying products or resources meant to undermine or maneuver competitors. SMEs' leaders crave a competitive advantage over other firms in this era of complex technological and information advancement. In this regard, Hande (2015) adopted a resource-based lens in the exploration of the competitive implication of the strategies of firms; Porter documented five forces that shape industry competition: (a) threat of new entrants, (b) threat of substitute products, (c) bargaining powers of suppliers, (d) bargaining power of the buyer, and (e) rivalry among existing competitors.

In a study by Yurchenko (2019) that covered theoretical, methodological, and practical aspects of strategic management of financial activity as it pertains to construction firms; the study aimed to substantiate the practical recommendations for designing the financial strategy of construction firms and further define the sequence of steps and their relevance from the methodological viewpoint. It is documented the essential characteristics of the financial strategy of construction firms in consideration of its features, structural elements, and the process of its design and stages of implementation. From the observed complicated process of designing financial strategy, Yurchenko provided the following stages:

i) Analysis of the strategic financial stance of the construction firm, the financial analysis in consideration of both of external and internal environment
ii) The precise definition of the strategic financial goals

In the foregoing regard, financial strategy development pertains to value-based management, accounting, asset management, cash flow management, credit policy, investment policy, financial risk management, and dividend policy.

2.1.3 Implementation and monitoring of financial strategy

The financial strategy is a coherent and integrated set of strategic financial objectives, approaches, and guiding rules that buttress such planning (Svatošová, 2019). The financial strategy consists of two facets, which firstly involve the funds required by a firm in the most cost-effective approach. Secondly, managing the employment of the raised funds within the firm includes the management decisions regarding the reinvesting or distribution of any subsequent funds generated while in operation (Belas et al., 2012). According to Irwin (2005), setting up the financial strategy is fundamental in creating the balance among controlling systems, high performance of the organization and minimization of the financial and operational costs to attain the managerial effectiveness of all three mentioned financial areas of an entity. Financial strategy is deemed as a functional strategy that meets the company's leading corporate and business strategy, is derived from the long-term period, and closely relates to the investment activities.

SME firms are, in characteristic, very small in management and operational disposition. Thus, owners' influence on finance management is more pronounced in these firms (Lofving et al., 2016). Given the globally acclaimed importance of SMEs for driving economic growth and poverty alleviation (World Bank, 2016a), and the strong association between financial strategy and SME performance (Svatošová, 2019), it becomes imperative for a proper understanding of the implications of financial strategy for the sustainability of the SME firms from a geographical context (Svatošová, 2019).

2.1.4 Poor SME Performance in Nigeria

Among all the challenges documented for the poor performance of Nigerian SMEs, finance and associated management strategies is seen as the most critical factor that impacts the long-term sustainability of these firms (SMEDAN, 2017; Uchechara, 2017). With the high mortality rate of SMEs in Nigeria (Ajike et al., 2015), it is irresolute if SME owner-managers in Nigeria understand the implication of financial strategies for the performance and sustainability of their organizations, as evidenced by extant research (Adebiyi et al., 2017; Svatošová, 2019). It is argued by Adebiyi et al. (2017) that few studies have critically examined the effect of how finance, when acquired, is used on the performance of SMEs since the skills needed to set up a business are not the same as those needed to run a business.

They further stress the need to understudy the impact of finance on the business performance of small and medium-scale businesses in Nigeria, specifically, understanding the relationship between the financial management ability of an entrepreneur and business performance. Ajike et al. (2015) support this argument, which found a strong association between finance management and the performance of SMEs in Nigeria. Financial strategy in SMEs is still under-researched (Svatošová, 2019), especially from a Nigerian perspective (Ibidunni et al., 2018). For this reason, it is imperative to explore the knowledge gaps among SME owner-managers in Nigeria regarding financial strategies and the implications on the long-term sustainability of their enterprises.

3. Methodology

Qualitative research using multiple case studies was appropriate for this study because multiple data sources were used to explore financial strategies deemed necessary for SME owners in Benue State, Nigeria, to grow and sustain their enterprise. As this study focused on exploring financial strategies required for SME owners in Benue state, Nigeria, for their enterprise's long-term performance and growth, we concluded that a multiple case study design would allow us to obtain and interpret the descriptive information needed to answer the RQ. We recruited three SME owners consisting of three participants, each in the agricultural sector. We obtained data from semi-structured interviews, observational field notes, and peer-reviewed scholarly papers until data saturation was achieved.

For this study, the unit of analysis was at the organizational level, and the cases were owners-managers of formally registered private firms with employees ranging between 10-199 persons with limited revenue, per SMEDAN's (2018) definition of SMEs. The targeted population was SME owners in Benue state who were involved in managing their organizations, had managed the organization for more than ten years and had a basic understanding of the financial management of their entity.

We selected the SMEs using the purposeful sampling technique, as Maxwell (2013) and Patton (2015) suggested. We sought at least three participants from each of the five targeted industries. We used purposeful sampling to ensure the selection of information-rich samples for answering the RQ. The interview transcripts were analyzed using thematic analysis to identify the relevant themes. As suggested by Patton (2015), this involves familiarizing oneself with the data, coding and labelling data to describe their content, generating themes from the codes created, reviewing themes to establish an accurate representation of data, naming and defining each theme, and the writing the analysis of the data.

After coding the data and identifying recurring themes, we used NVivo to organize the data. We triangulated interview data themes with data from other sources, reflective field notes, and archival data related to the SMEs owners in Benue State to support the trustworthiness of the findings and make recommendations for further research (Patton, 2015).

3.1 Research Questions

What financial strategies are used by Agricultural SME owners in Benue State, Nigeria, for their enterprise's long-term performance and growth?

4. Results and Discussion

4.1 Results

Table 1- *Participants' Demographics and Characteristics*

Participants	Business Sector	Year Commence Business	Number of Employee	Gender	Years in Position	Education Level
P1	Agriculture	2009	61	Male	13	Master's degree
P2	Agriculture	2007	51	Male	15	Bachelor's Degree
P3	Agriculture	2005	43	Female	17	Master's Degree

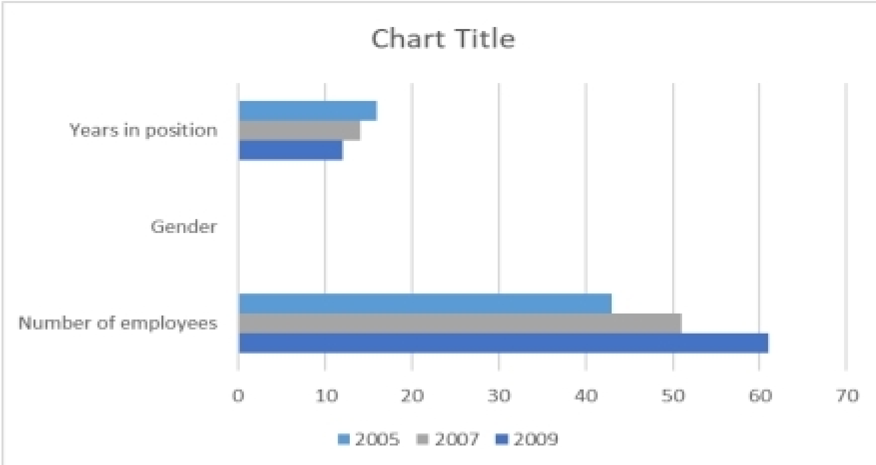

Figure 1: Showing Participant Yeas in Business and Number of Employees

Interview Question 1 was, "What are the financial strategies you deploy in your organization to sustain the business?"

Table 2 - *Examples of Data Extracts and Codes from Interview Question 1*

Participants	Data Extracts	Codes	Categories
P1	"My organization though started with little savings but most of the capital equipment and assets were purchased through grants and micro agriculture loans:	Savings Grants Agricultural Loans	Savings Grants Loans
P2	"Our farms have been financed through cooperative and other self-help, and through the cooperative, we are trained to manage our financial resources to be entitled to grant."	Financed through Cooperatives	Savings Cooperatives
P3	"I started from savings. I make use of credit to increase my production lines and acquire new technology; I keep relevant cashflow management to be qualified." Agriculture	Savings Credit Increased Production Line New Technology Cashflow	Saving Credit Facility Cashflow Management New Technology

Interview Question 2 was, "What are the challenges you encounter while implementing the strategies?

Table 3 - *Examples of Data Extracts and Codes from Interview Question 2*

Participants	Data Extracts	Codes	Categories
P1	"Apart from lack financial skills at onset, there is lack of external financing to encourage larger-scale production."	Financial Skills Financing Large Scale Production	Lack of financial Education Lack of external funding
P2	"I hardly keep good books, the high interest rate on financing and multiple taxations"	Bookkeeping High interest rate Financing	Lack of financial Education Funding Challenges Multiple Taxation
P3	"Challenges of maintaining staff, dishonesty among employees, lack of passion by some staff and challenges with outsourcing the good skilled labor, poor cashflow management, and harsh temperature"	- Staff Turnover - Dishonesty of Staff - Outsourcing of Skilled Labour - Poor Cash Flow Management - Harsh Temperature	Saving Credit Facility Cashflow Management New Technology

Interview Question 3 was, "What is the other information you may wish to share about the financial strategies you adopted to increase growth?

Table 4 - *Examples of Data Extracts and Codes from Interview Question 3*

Participants	Data Extracts	Codes	Categories
P1	"There are lots of opportunities and associated risks, it is for the farmer to identify them and plan to invest strategically."	Opportunity Risk Identification Planning Strategic Investment	Entrepreneur Resilience Strategic Financial Practice
P2	"As an entrepreneur, business growth is enhanced basically by finance reinvesting and diversifying when necessary, and the skills to manage the inflow and outflow of cash."	Bookkeeping High interest rate Financing	Entrepreneur Resilience Strategic Financial Practice
P3	"I have always tried to be innovative to create requirements to meet my target, I plan to use bioelectricity. I use waste products to create other capital goods"	-Innovative Technology - Planning - Capital Goods Creation	Entrepreneurial Skill e Strategic Financial Practice Technology

Table 5 - *Categories, Frequencies, and Themes*

Interview Questions	Categories	Frequency	Themes
1	- Personal savings - Family and friends - Loans from micro bank - Grants - Credit facilities/suppliers' credit - Liquidity management	3/3 2/3 2/3 2/3 3/3 2/3	- Using available financing options - Entrench Strategic financial practices
2	1)Lack of financial skills 2)Poor infrastructure 3)high cost of capital/fund 4)Multiple taxations	3/3 2/3 1/3 1/3	1) Negotiating Challenges of SMEs
3	1) strategic financial practices 2) Entrepreneurial skills 3) Technology	3/3 3/3 3/3	1) Make use of strategic financial practices 2) Entrepreneurial resilience 3) Take advantage of technology

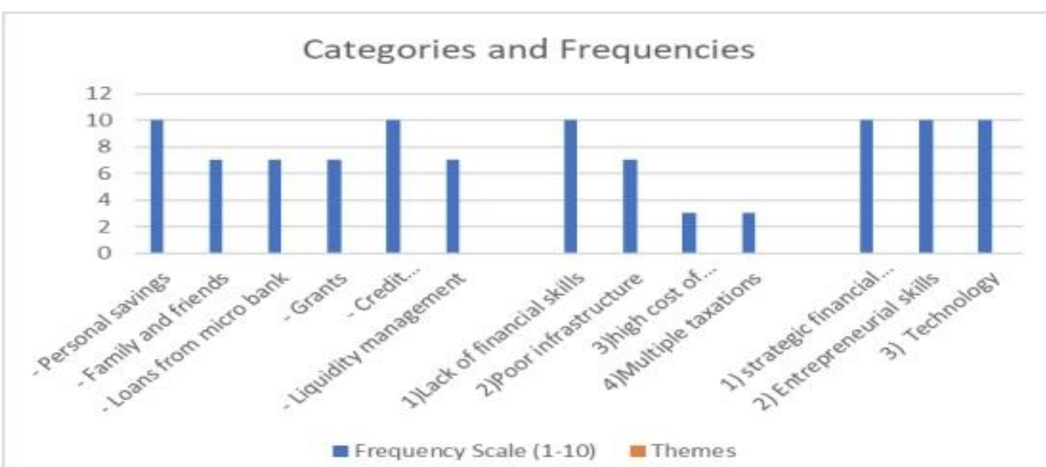

Figure 2 - Showing Categories and Frequencies of Occurrence

4.2 Discussions

4.2.1 Using available financing options

The first emergent theme resulted from analyzing and interpreting the data collected from the semi-structured interview question and document review. The three participants representing 100% mentioned the options of financing their SMEs, which led to three minor themes: (a) startups financing (bootstrapping); (b) financing strategies for growth in the first five years; and (c) financing strategies for long term performance. Following entrepreneurship theory, access to capital and relevant financial resources to begin and sustain the business for the long term is critical for entrepreneurs (Thompson, et al. 2020). The emerging minor themes were derived from the discussions by the participants on how they acquired initial financing, how they grew their businesses during the first five years, and how they have sustained the organization for long-term performance. Many options for financing SMEs abound Equity (personal savings and retained earnings); Venture capital (angel investor and crowdfunding); Grants (grant windows on health, education, and technology; result-based financing); Reward-based crowdfunding (for community businesses); Debt (Bank loan and leasing assets without ownership rights); Venture debt and bridge finance (debt financing to back SMEs with the established prospect for growth but lack profitability, as a bridge financing in terms of supplier's credit and platform and secularization); and Enabling tools (matching funding and guarantees by the third party) (Fadil & St-Pierre, 2021; Kent et al. 2020).

4.2.2 Entrenching strategic financial management

The theme of entrenching strategic financial practices has a dominant emergent across the questions and from all participants. The theme ensues basically from all the participants representing 100% mentioned that strategic financial practice is crucial for SME owners as an adequate financial skill needed for business sustainability in Benue State. Svatošová (2017; 2019) documented the key financial components of the financial strategy to be related to the typical policies of finance: (a) investment policy which focuses on the advancement of efficient economic investment in projects, (b) financing policy (which could be external and internal) of the business pursuits, policy relating the management of the assets and liabilities (credit policy), (c) inventory management policy (stocks and work in progress),(d) cash flow and liquidity management policy, (e) operating result management policy,
(f) cost control and profit policy. Some of the significant strategic financial practices by SME Owner managers include a policy regarding liquidity, cash flow management, and cost reduction, and these are practical tools for SMEs' performance and sustainability (Bilal et al., 2017; Zimon, 2020). By adopting a niche financial strategy, SMEs can overcome some of the challenges they might face, thereby improving performance and sustainability.

4.2.3 Negotiating challenges of SMEs

The identified theme is related to the challenges SME owner-managers face in implementing financial strategies in business. This theme resulted from analyzing and interpreting the data collected from the semi-structured interview questions. We found some of the overwhelming challenges SME owners needed to overcome to practice their strategic financial skills needed for business sustainability in Benue State, Nigeria. All participants representing 100% mentioned the associated challenges in implementing the financial strategies required for improved performance and business sustainability. Financial resources are critical to business growth but are often a challenge, especially for SMEs starting to get loans from the formal sector (Brush et al., 2018). The challenge in sourcing funding is exemplified by the participant, who stressed that resource is a challenge, and there is a need for credit policy in financing SMEs, but corruption, multiple taxes, and poor infrastructural facilities are the bane of innovative strides. Also, the cost of Implementing ICT is relatively high in developing countries (Okundaye et al., 2019). Most participants mentioned that the general social infrastructural deterioration contributes to the cost of doing business and affects financial strategic planning. As mentioned by the participants, the challenges to include, apart from acquiring accounting knowledge, is vital: The challenge could be overwhelming when it comes to getting a loan, high cost of transportation because of poor road infrastructure, though the general poor infrastructures push cost upward, and multiple taxations.

4.2.4 Take advantage of Technology

The emergent theme of taking advantage of technology resulted from analyzing and interpreting the data collected from the semi-structured interview question and document review. The participants mentioned that embracing technology and financial management software was needed for an SME owner to be adequately prepared for the financial strategy skills needed for business sustainability in Benue State. Orobia et al. (2020) documented in a recent study that finance and IT infrastructure are significant predictors of the sustainability of business enterprises. This entails adopting software as a critical decision that enhances the strategic financial skills and gives the organization an edge over other competitors in the system. The nature of the business is dynamic as new technology unfolds to render service, sometimes leading to diversification of service structure and new ground for profits.

Technology is helpful as a financial tool in meeting targets as we stressed keeping proper financial records with relevant technology aligned with our planned target. Specialized machines like the point of sales devices and CCTV have ameliorated the incidence of pilfering and account manipulation, thereby improving the relevant financial documentation. It is mentioned in the interview that introducing technological devices and software has helped the SME owner's participation in the day-to-day running of the business, as the business can be monitored from every part of the globe, thereby enhancing strategic financial skills for business sustainability. By taking advantage of technology, the owners of SMEs can reduce the disparity between their businesses and the larger firms as its use helps reduce costs and reach larger markets.

4.2.5 Entrepreneurial Resilience

The emergent theme of entrepreneurial resilience resulted from analyzing and interpreting the data collected from the semi-structured interview question and document review. All the participants mentioned that embracing the resilience required of an entrepreneur is needed for an SME owner as a financial strategy skill needed for business sustainability in Benue State. An entrepreneur manages a business for profit and growth in risky conditions with a strong drive for innovation (Santoro et al., 2020). Resilience entails the characteristic capacity of the entrepreneur or the firm to be robust in responding quickly or fast recovery by developing strategic ways of doing business under adverse external and internal environments. The participants' responses stressed that business is a risk, and they keep venturing into new opportunities, even if it needs training to compensate for their shortcomings. This may exemplify the venture disposition in acquiring requisite education that enhances financial strategies for business performance and sustainability.

SME contribution is significantly driven by developing new products that offer the opportunity to innovate quickly and cost-effectively (Singh et al., 2019). The entrepreneurial resilience characteristic is also using the opportunity, such as looking for opportunities for cheap funds and expanding our product lines and branches. In the farming business, it is stressed by some of the farmers that they try to be innovative to create requirements to meet targets and use bioelectricity and recycling waste products to create other capital goods. The responses resulting in the theme show capabilities associated with strategic readiness or competitive or environmental dynamics to succeed.

4.3 Interpretation

Most of the findings from this study confirm or extend the existing knowledge in the literature regarding financial strategies in SMEs. Financial strategy is the most critical factor in the performance and sustainability of an organization (Svatošová, 2019, 2017). The financial strategy involves the options a firm adopts in raising finance most effectively, the process adopted in applying the raised finance within the firm, and the associated management decisions regarding reinvesting or distribution of any subsequent earnings generated during business operation (Belas et al., 2012). Financial strategy is not only about funding goals; a more comprehensive focus includes strategic financial management practices. This assertion is supported by Karadag (2015), who argued that all the elements of strategic financial management practices, namely strategic financial planning, strategic working capital management, strategic fixed-asset management, strategic financial reporting and control practices, and other emerging financial management practices would lead to better performance results. Likewise, Karadag found that SME owner-managers in Turkey did not faithfully follow any specific financial strategy. Our findings on financial strategies in Nigerian SMEs show that SME owner-managers do not follow any specific financial strategy. The participants exhibited diverse practices of financial strategies, with most of them tilted toward a dynamic financial strategy to grow the business, which is different from the findings of Svatošová (2019) that show conservative strategy in the field of financial management in the agricultural sector of the Czech Republic.

5. Conclusion and Recommendation

5.1 Conclusion

This multiple-case study aimed to gain an in-depth understanding of specific knowledge gaps among SME owners and managers in Nigeria regarding financial strategies and their implications on their enterprises' long-term sustainability. The nature of the study was qualitative. The RQ was, what are the financial strategies used by SME owners in Benue State, Nigeria, for their enterprise's long-term performance and growth? For the conceptual framework of this study, we drew from Porter's model of competitive strategy and entrepreneurship theory. The thematic analysis of data produced five themes that explained the financial strategies of SME owner-managers. These themes include(a) using available financing options, (b) entrenching strategic financial practices, (c) negotiating challenges of SMEs, (d) taking advantage of technology, and (e) entrepreneurial resilience. These five themes formed the basis for interpreting the findings from this study. In the rest of this chapter, we present our interpretation of findings from the study; consider the implications and recommendations for policy development and practice.

5.2 Recommendation

This study has provided insights into the nature of financial strategies in Nigerian SMEs, significantly tilting toward the agricultural sector. We found from this study that Nigerian SME owner-managers do not conscientiously adopt any specific financial strategy. This research has also cast doubts on the knowledgeability of the Nigerian SME owner-managers regarding the phenomenon of financial strategy and its implications for enterprise growth and the long-term sustainability of their enterprises. This study was exploratory, and the findings provided opportunities for both qualitative replication and quantitative validation in future research.

Based on this study's findings, we recommend including essential SMEs financial management in the education curriculum. The contribution of the SME sector is enormous as a veritable engine for economic development and generating employment. The primary financial management module should be included in the secondary school curriculum and general study skills (GSS) of tertiary institutions in the Nigerian education system. The designed program on finance management should be incorporated with computer appreciation to enhance the use of software in business management. Introducing this basic knowledge will help equip students to be prepared and business mind readiness upon graduation, thereby strengthening job creation and poverty alleviation. The participants mentioned their challenges in managing finance and keeping financial records. Some others, by acquiring relevant training in business and associated finance studies, were able to startup businesses and managed to be self-employed and self-sufficient in running their SMEs.

Another recommendation is the provision of basic infrastructure and a business-friendly environment. The three federal, state and local governments have a critical responsibility to ensure the security and welfare of SMEs by providing basic infrastructure and financial support. In consideration of participants' responses regarding SME owners' challenges, the government's provision of public goods and services supports the SMEs' business. These supports can come from business-friendly policies and environments that encourage SME owners. Though SMEDAN has been established, its impact needs to be more proactive (Uchechara, 2017). Education awareness programs and seminars where SME owners could share their knowledge and financing options offered by the bank to display different loan products available in the market. Government should provide information regarding formal business training, technology, tax holidays as well as appropriate access to financing of SMEs (Ajibade & Murtula, 2020). SMEs contribute significantly to developing families, communities, and the economy (Adekola et al., 2018). It is, therefore, crucial for the government to play its role in nurturing and maintaining entrepreneurship among the owners of businesses in Nigeria.

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