International Journal of Small Business and Entrepreneurship Research
Vol.8, No.4, pp.23-33, August 2020
Published by ***ECRTD-UK***
Print ISSN: 2053-5821(Print), Online ISSN: 2053-583X (Online)

Qualitative Analysis into Liquidity Management by SMES in the UAE

Tirupathi Anand, Manoj Kapur, Dr.Arindam Banerjee, Dr.Sadia Riaz

ABSTRACT*:* *Small and Medium Enterprises or commonly referred to as SMEs are an important component of any nation. In the UAE, SMEs account for a large bulk of economic trade as well as provide invaluable job opportunities. Liquidity management is predominantly a key component for the long-term sustenance of any business, let alone SMEs. Lack of persistent liquidity could swindle the business model of the SMEs and could have pernicious effect on doing business in the region. The sinister effect of lack of effective liquidity management tools could be disastrous for the industry as a whole. Hence managing liquidity – both long term and short term, is imperative, especially when sources of liquidity are limited. This paper is an attempt to explore liquidity avenues for SMEs and how do SMEs manage their day-to-day liquidity to meet the going concern requirements. The paper will involve qualitative analysis that involves semi structured interviews with certain SMEs to gauge liquidity management by SMEs in the UAE.*

KEY WORDS: liquidity management, financing, bank, SME, UAE

INTRODUCTION

The researchers are interested in conducting qualitative research on liquidity management in small and medium enterprises. These firms are novice when it comes to system driven liquidity assessment. Hence it becomes exceedingly difficult to ascertain long term liquidity strategy. In fact, liquidity for small and medium enterprises is a day to day affair. SCHOLAR, P. (2019) stated that cash is an essential requirement in any business operations. The need for cash cannot be overemphasized as it resembles blood flowing in the human body. A business entity can survive without profits but cannot survive without the required cash for day to day operations. Profitability is like “Food” whilst Cash Flow is like “Oxygen”, we can live without food for a few days but cannot survive without oxygen beyond 180 seconds. Similarly, a business cannot survive without cash beyond few days or few weeks. How can we keep the suppliers, service providers, employees and others at bay without making timely payments?

Liquidity is the basic input required to run the business on a continuous basis. Collis & Jarvis (2000) defined liquidity management in small firms as planning and controlling of cash flow by owners and managers to meet their day to day commitment. These commitments can go unnoticed if proper records are not maintained. Thus, the commitments will not be met as promised leading to avoidable embarrassment.

Given the nature of business activity and size of operation, even banks are sometimes skeptical in lending working capital to the SMEs. Poor financial management and disclosure affects transparency of these firms which has been sighted since 1971 by Bolton Committee. Even after repeated research in the area relating to financial transparency, little has been achieved as stated by Drever (2005). In his research, Drever has identified liquidity as cash and credit management. He further emphasizes that liquidity management is the most critical factor for the long-term survival of the small enterprises.

Although there have been several studies to identify factors affecting the survival of the SMEs, majority of them focused on producing statistical analysis of failed SMEs due to poor financial management especially related to liquidity issues. Very few research studies have been conducted by directly interviewing SMEs and trying to figure out qualitatively the root cause of their poor liquidity management behavior. The question "what are the factors affecting the smooth management of liquidity in SME?" remains unanswered.

The researchers have placed some crucial arguments which are listed below to be examined through the Literature Review as well as through the qualitative study on the subject:

1. Is the liquidity management in SME sector primarily characterized by "use of own funds"?
2. How much of the working capital is augmented through market credit? Can it be entirely supported by market credit so that there is a back to back link between the current assets and current liabilities?
3. What is the extent to which the SMEs are dependent on Bank Finance? Are the banks supporting SMEs with the right financing options when needed?
4. Do SMEs adopt a proper Finance Policy and pay attention to Financial Discipline in their operations?
5. How much of managerial experience and maturity in leadership is helping SMEs to actually manage the liquidity challenges in the day to day operations?
6. Would there be a positive impact on the Liquidity Management if the firm has long number of years in business? Does longevity and age of the firm play a significant role in tiding over the liquidity challenges for SMEs?

The core analysis of the present study is to understand the practices adopted by the SMEs in addressing liquidity issues. This includes getting firsthand experience from the owners/ managers of SMEs and not containing the study to hypothesis based on available literature. Thus, the study will focus on actual cash out and cash in management of the SME and the behavior portrayed in case of liquidity crunch. It will also highlight the banks role in providing liquidity to the SMEs in the UAE. The study will conclude by highlighting the analysis of the research and the scope for further research.

LITERATURE REVIEW

A stable financing arrangement will ensure smooth flow of business in the long-run but the question is how, when and from which sources should the financing be obtained (Stjepan Pticar, 2016). The optimal use of funds and judicious management of resources is the key to success. Cash management is very crucial and has a significant role in the performance of the SMEs (Oluoch, J. O. 2016) and hence SMEs must put specific focus on Cash Management practices.

Vol.8, No.4, pp.23-33, August 2020

Published by ***ECRTD-UK***

Print ISSN: 2053-5821(Print), Online ISSN: 2053-583X (Online)

After the financial crisis in 2008 there is enough literature to show that the most pressing problem of the SMEs is the lack of financial capital emerges as one of the most pressing problems (Klimentina Poposka, et.al 2016). The main challenge in the startup phase of business is the lack of resources and at the growth phase one of the main challenges is "lack of external financial resources" (Shuklev, 2006).

Liquidity of the SMEs is solely responsible for the longevity of the firm's business. The Liquidity of the SME is significantly influenced by profitability, tangibility, size, and the SMEs firm status (Wasiuzzaman, S. 2018).

The 21st round of survey done by European Central Bank for the period April to September 2019 shows that the SMEs is Euro area are seeing the access to bank finance as a least concern because they have bigger issues in terms of "finding skilled labour" and "difficulty in finding new customers". (Survey on the Access to Finance of Enterprises (SAFE) 2019). This situation is true for many parts of the world with increasing complexities of running the business and stiff competition. However, the access to external finance remains one of the key challenges of doing business. It is one of the most important factors influencing the decision to invest (Regis PJ. 2018)

Bank Loans and financial assistance drives the SMEs ability to scale the business and thus enjoy a higher profitability, but the collateral limits the growth of the business (Prijadi, R and Desiana, P.M., 2017).

Resource Dependence Theory (RDT) clearly shows that businesses are dependent on contingencies in the external environment (Hillman, et al., 2009). An organization's behavior depends on the external environment (Pfeffer and Salancik, 1978). With SMEs flourishing and growing due to Bank Finance in the UAE, the tendency of all the SMEs is to look for external funding arrangements. In other words, the "Swarm Intelligence" of collective behaviour of organized systems (Beni & Wang 1989) is clear in the behaviour of the SMEs in UAE. The entire Metals and Construction Sector witnessed delayed payments due to liquidity crunch in 2015/16 which was highlighted in the report of the credit management company COFACE. (Arabian Business 1st August 2016).

The Bolton Committee reported in 1971 about the difficulties faced by Small firms in obtaining finance for their business. After nearly five decades the situation is remaining to be the same and in fact becoming larger as the economy of many parts of the world is driven by SMEs. Small and medium sized enterprises in the UAE are mostly focused on the Service Sector and are characterized by lack of financial support. The initial impetus comes from the family and friends, but the growth of the business entirely depends on infusion of further capital which necessarily has to come from external sources like Banks. 'Access to Finance' is rated as one of the high priority items in the survey conducted by Dubai Economy in 2019 (Dubai SME, 2019).

There are different types of problems faced by SMEs like unskilled employees, lack of experience, lack of appropriate educational background, lack of technology, limited number of employees,

Vol.8, No.4, pp.23-33, August 2020

Published by ***ECRTD-UK***

Print ISSN: 2053-5821(Print), Online ISSN: 2053-583X (Online)

lack of managerial expertise and above all limited financial resources (Khalique et al., 2011). Cash Conversion Cycle return on assets and inventory holding period which together constitutes the Working Capital Management (WCM) has a significant impact on the performance of SMEs (Xiaoting Zhang et al., 2017). SME management is characterized by the last-minute scramble for liquidity which can be completely avoided through efficient management of the working capital cycle. The implementation of a comprehensive WCM would help SMEs to create value (Pais M.A. & Gama P.M., 2015). Even during the financial crisis in 2007-08 it was found that the WCM was affected and led to low profitability whilst the period after financial crisis it was clearly evidenced that WCM was associated with higher profitability (Simon.S et. al., 2018).

A joint report by IFC and the SME Finance Forum, has found that 65 million enterprises, or 40 percent of formal micro, small and medium enterprises (MSME) in developing countries, have an unmet finance need of $5.2 trillion a year. This gap is larger than previously estimated. (SME Finance Forum, 2018).

Banks have been a great source of strength for the SMEs in providing the required finance at different stages of the life cycle like pre-shipment; post-shipment; working capital; temporary overdraft; etc. (OECD, 2016). Over the recent times the SME financing has seen the emergence of participatory finance through the Islamic Banking. The Sharia's compliant SME loans are being structured by the Islamic banks and the variety of offerings is only increasing by the day. The demand and supply gap are not very wide in countries like Saudi Arabia where there are large number of Islamic banks (Hussein Elasrag, 2016).

Specific research study was carried out on Women Entrepreneurs in UAE and it was concluded that they prefer internal funding to external funding sources (Sherine Farouk Abdel All, et. al., 2017). According to a recent research study the Bank lending to SME sector in the UAE is abysmally low (Allen Baby & Ciby Joseph, 2016).

Earlier studies have proved that the banks risk on lending to SMEs is much lesser than that of large corporations (Jacobson, Linde & Roszbach, 2005). Enhancing the credit facilities to SMEs would bring down the overall Non-Performing Loans of Banks. It would also significantly help in the growth and sustainability of SMEs (Fadi Shihadeh, et. al. 2019).

The new risk-sharing finance provides pro-active risk management through the sharing of risks in the economy according to the risk-bearing ability of the participants. In many ways, risk-sharing finance is naturally aligned with Islamic finance, in other words it is aligned with the Islamic Principle that risk and reward should be shared in the same proportion. The risk-sharing model operates on an asset-driven balance sheet management thereby ensuring that the financial sector grows in tandem with the economy, not creating bubbles (as it did in pre the Global Financial Crisis (GFC)) or hold back growth (as it has in the post GFC). This ensures prosperity is shared equitably amongst those who share the risks of any economic venture (Lajis, 2017).

GAP IN THE LITERATURE

The available literature clearly shows that several studies have been undertaken in the past to prove that the SMEs has struggled and suffered due to lack of financing. The availability of external finance at an affordable rate is key to success for SMEs. The available literature has also established the link between effective working capital management and performance of the SME. Overall, the importance of liquidity for SME and the support needed from Banks is well established though there is no clarity in the available research on the factors contributing to the liquidity challenges for SMEs in the UAE. This study is specifically focused on the Liquidity of the SMEs and the factors contributing to the same.

Further, from a microeconomics perspective, it is important to understand the decisions made by people using limited resources. The decisions that an individual and an organization takes on issues like cost estimation, price changes, services and path to choose during decision making process can be derived through learnings and experiences. Hence, the author has deliberately chosen to use control loop theories to ascertain the level of learnings taken by the SMEs in managing liquidity in the UAE market. The gap exists since, there has been no research done to ascertain the learnings through control loop theory. Each decision taken by the SME today, will impact the future sustenance of its projects which is informed from its past activities including the probabilistic/ statistical learnings of its underlying activities. Hence, the loop control mechanism would be well suited in these environments.

RESEARCH METHODOLOGY

The research will use qualitative analysis involving semi structured interviews with 10 SMEs that conducted business in the UAE during 2019. The study will be deductive and longitudinal covering 12 months of 2019 and assessing the liquidity requirements in each month. The reason to select 10 firms is based on study conducted by Eisenhardt, K.M. (1989) which stated that while building theories from a case study, there is no ideal number of cases that can be reviewed. Theoretically, the archetype number of cases should be between 4 to 10. Anything less than 4 would not derive a sustainable outcome and the empirical grounding is likely to be unconvincing. Cases above 10 would add more layers of complexities and volume of data. The authors also laid certain restrictions to be included in the assessment:

1) The SME must be in existence for more than 2 years
2) It must fulfill the definition of SME as per UAE requirements
3) It must have received funding from the banks in the UAE.

The research was done longitudinally which included having a conversation with the owners or managers of the SMEs and seeking to get finance related answers over several time horizon periods. While the period of study was not defined it was enough to cover the experience and learning curve of the SMEs in the UAE. In a research conducted by Deakins et al. (2010), it was concluded that the best results can be achieved if longitudinal study is conducted on small firms. This longitudinal study observes patterns over short- and long-term period to arrive at the conclusion. In our study the pattern is the efficient use of finances over the period and ascertaining the factors that impair this efficient use. The given study will use first, exploratory, and finally, inductive method to analyze the interview results of the correspondents. The reason for the interview to be exploratory in nature was to establish the boundaries of research and explaining to the owners and managers the benefits of conducting such research proposal. It was also to ascertain the correspondents are aware of the ethical consideration that is involved in conducting the research.

Later, as art of inductive approach, a questionnaire was sent to the owners and managers of the SMEs which focused in depth on the liquidity management and detailed analysis of the factors affecting liquidity. While owners were an important stakeholder in the questionnaire, the researchers have also tried to focus attention on other informants like employees, daily wage earners, etc. The interview and questionnaire were designed in a way to give an opportunity to the owners and managers of SMEs to provide open conversation regarding the liquidity effect on their businesses. The correspondents were encouraged to share their ideas and were provided with uninterrupted support so that they could open up and share answers freely. The developed questionnaire covered independent variables and sent the same to 10 different SMEs in UAE. The researchers have felt the need to adopt qualitative method as it was proven by Deakins et al. (2010) that qualitative understanding allows better comparison of results as opposed to testing, in case of exploratory studies. This allows deeper internal conversation and individualized understanding of the decision-making process of small companies.

Since the data analysis was inductive, the researchers further utilized coding mechanism to allow scrutinizing and future modification at different levels of aggregation. This study will also pave way for further research on factors affecting SMEs in the UAE.

RESEARCH FINDINGS

As illustrated below, the liquidity approach was different in different SMEs. Also, due to the COVID19 situation, despite our repeated reminders, only 4 of them responded. The Summary of the responses received from the SMEs revealed the following:

The dependence of the SMEs on Bank Finance and Market Credit is very significant. Most of the respondents felt they are getting the facilities that is appropriate for their business needs and were happy with the support provided by the Banks. All the respondents felt that the long number of years in business has an impact on the ability to secure banking facilities in the UAE. Age of the firm and Management did play an incredibly significant role in securing both Bank Finance and Market Credit from suppliers, vendors and service providers.

Majority of the respondents felt that the impact of the Bank Finance on their Gross revenue was significant. However, in general we found that SMEs do not have a well-documented Finance Policy and hence the question of internal processes for checking the compliance with the finance policy does not arise.

The common feature among the respondents was the regularity with which they face liquidity challenges in business. Not only did the liquidity challenges arise often it also has a significant

International Journal of Small Business and Entrepreneurship Research
Vol.8, No.4, pp.23-33, August 2020
Published by ***ECRTD-UK***
Print ISSN: 2053-5821(Print), Online ISSN: 2053-583X (Online)

impact on the survival of the business. This makes the SMEs highly vulnerable as their very survival depends on their ability to face and tactfully handle the liquidity challenges. More often the SMEs have resorted to digging into their personal funds to tide over the liquidity issues. This clearly indicates that despite the market credit and bank finance the liquidity challenges are occurring often and needs to be addressed by resorting to personal finances of the owners of the SMEs.

The common feature among the respondents seem to the difficulty in managing the working capital as the regularity of the collections from the customers is a huge challenge. The 2008 economic crisis exposed the SMEs in a big way and the situation continues to be the same even after more than 10 years of that global crisis. The Managerial experience and timely support from both the banks and suppliers are helping the SMEs to survive and sustain their existing level of operations.

Majority of the respondents also felt that the size of the organisation would not have any impact on their liquidity position as they feel that the magnitude of the problem will vary but the basic problem would remain the same for both SMEs and large organisations.

There is no doubt that working capital must be effectively managed to have an improved liquidity and profit for any company. In case the firm is not able to manage working capital efficiently, it is evident that funds will be blocked in low yielding assets thereby causing liquidity and profitability problems. A research conducted by Deloof (2003) stated that while providing credit was an inexpensive source of finance for customers; conversantly the money gets stuck as part of working capital. Further, while delaying payment to suppliers can be inexpensive and flexible way of finance for small businesses, delayed payments can entail high cost in the form of finance charges. Hence, the need to manage working capital efficiently and effectively.

The judicious use of working capital is even more important for SMEs when the economy is facing a downturn. Given the present situation, when the whole world is suffering from a pandemic in the form of COVID19, it is precedingly important to have conscious use of working capital to manage businesses effectively. During such period, it is difficult for the owners and managers to raise finance for working capital as the cost of borrowing is significantly higher. Banks tend to de-risk SMEs as small businesses have tendency of poor management of working capital and hence default on loans provided by the banks.

Based on the respondents reply to the questionnaire, the research evidence suggests open loop and closed loop learnings of the liquidity management of SMEs in the UAE. Open loop learning occurs in situations which are outside the scope of what owners expect to happen. In an unpredictable market conditions, especially given the current situation, open loop learnings are appropriate. Open loop learnings give rise to structural changes in the companies and if the owner cannot cope with the challenges posed by the market, most of the companies wind down their businesses. Open loop learnings also entail changing business strategy or even question the existing business practice. On the other hand, closed loop learnings are the learnings that were witnessed in the past. It is equal to following a routine or duplicating thing which were already done in the past. It can be taken as a learning curve without giving much attention to the plans of the SMEs. It can also be equated to “herd mentality”, wherein one company is seen following the strategy of other company in case of similar economic conditions. It portrays the process of performing work without posing any questions related to strategic plans, goals or rules.

Based on the concepts presented above, most of the SMEs in the UAE would be falling under the open loop learnings. The existence of liquidity problems, though inherent in SMEs, is very much affected from external conditions in the UAE. Most of the SMEs would break the norm of payment collection if there was level of trust in the market. However, given the rigid nature of the market, the SMEs are coerced to follow closed loop learnings.

Most of the firms believed that length of existence plays a pivotal role to secure funding from the banks in the UAE. Consequently, the SMEs would most likely focus on building good and ongoing relationships with their banking counterparts to ensure that funding is available at all times. It is important to stress that relationships in business and interactive process would aid in seeking the ongoing learning process which is an essential element in an open loop learning.

Not having a well-defined finance policy would infact hamper the growth prospects of the SMEs in the UAE. This is quite practical as banks would like to ensure that the funds are well managed by the SMEs as part of their working capital requirement. In the absence of this document, the bank would rely on their judgement or turn to gatekeepers like accountants to vouch for accurate financial information. It is imperative that SMEs must have good professional relationships with accountants who act as an internal advisor for the firm. This relationship would ensure that there is learning process from the point of view of building trust and interdependency of the professionals by converting it into ongoing business relation and thereby improving the interaction and understanding. This would again fall under open loop learning for the SMEs in the UAE.

Using the personal resources to fund the business requirement clearly indicated unplanned financial needs. This may be clubbed under closed loop learning as it is evidenced for majority of the SMEs that were interviewed. This can also be considered as an expectation of the industry to dig own pockets first before approaching the bank for funds. This needs to be further substantiated by interviewing more respondents and can pave a way for further research in the subject.

CONCLUSION

The research conducted was to explore liquidity avenues for SMEs and how do SMEs manage their day-to-day liquidity to meet their going concern requirements. Based on the qualitative analysis conducted through questionnaire it was clear that SMEs in the UAE are using experience and knowledge of the SME market that is gained over a period of time. The experience and knowledge of the managers/owners of SMEs is invaluable & important to deal with liquidity challenges. Thus, it can be concluded that learning from the market and its interaction is very close knit. Ensuring that learnings keeps on improving over time is the key for long term survival of the SMEs in the UAE.

Vol.8, No.4, pp.23-33, August 2020

Published by ***ECRTD-UK***

Print ISSN: 2053-5821(Print), Online ISSN: 2053-583X (Online)

The qualitative research results indicated that the liquidity of SMEs is not related to the rationality concept as it is not pre-defined. Rather it is based on open loop and closed learnings which are interchangeably used depending on market scenarios. The researchers conclude that managers may be performing a "better job" approach which may indicate that the SMEs are able to tick off certain processes rather than achieving optimal results. Thus, there may be possibility of several iterations as open loop learning would indicate most of the SMEs are thinking "out of the box". The paper has been able to prove that liquidity management can be a learning process which can be improved over time. However, in this process, it must also be noted that liquidity can also be based on rational thinking i.e., by developing well defined policies and procedures. These procedural documents would be more expressive of the fact of how rationality would aid in better management of the SMEs in the UAE.

Given the facts surrounding learnings, the study adds to the body of knowledge by contributing on literature on organizational learnings by SMEs by providing credible analysis of how owners of SMEs learn skills from other stakeholders like managers, accountants, banks, society, regulatory authorities, etc. Without creating these relationships there would be absence of learnings which could hamper the business process in the long term. This study could have easily compared the financials of the SMEs and conducted ratio analysis to arrive at the factors affecting liquidity management of the SMEs. However, the implications for ratio analysis may not have set benchmarks for these SMEs as these firms are remarkably diverse from each other. Hence the need to perform qualitative analysis.

Finally, one of the limitations of the study is the low sample size of the SMEs. This implication will, by default, give rise to further scope of research in this area. While it would be common with most academic research studies, the research findings of this study are limited to the extent it can be generalized to the whole population of the SMEs in the UAE. Given that entire sample was from UAE markets would have also caused some skewness in the results derived. Future studies may be conducted using a funnel approach by considering diverse geographic locations and narrowing it down to UAE requirement. Liquidity being a core topic of this study, it would also be useful to consider other macro-economic factors that would affect SMEs in the UAE.

REFERENCES

Baby A, Joseph CAC (2016) Bank Finance Challenges Faced by UAE SME Sector. Arabian J Bus Manag Review S1: 005. doi:10.4172/2223-5833. S1-005

Beni, G & Wang, J (1989). Swarm Intelligence in cellular robotic systems. Proceedings of NATO workshop on Robots and Biological Systems. Tuscany, Italy, June 26-30, 1989.

Bolton J.E. (1971). Report of the Committee of Inquiry on Small Firms, Cmnd.4811, HMSO, London.

Collis, J., & Jarvis, R. (2000). Financial Information: The Vital Spark in Small Enterprise Management. In National Small Firms Policy and Research Conference (Vol. 1, pp. 101-126). Leeds; ISBA; 1997.

Deakins, D., Logan, D., Morrison, A. and Steele, L. (2010), "Financial management in the small firm", paper presented at the 23rd ISBA National Small Firms Policy and Research

Conference, Small Firms: Adding the Spark, The Robert Gordon University, Aberdeen, 15-17 November.

Deloof, M. (2003), "Does working capital management affect profitability of Belgian firms?", Journal of Business Finance & Accounting, Vol. 30 Nos 3/4, pp. 573-87.

Drever, M. (2005), "Advising small and medium-sized enterprises (SMEs) on their liquidity issues", paper presented at the International Council for Small Business Conference, Washington, DC, 15-18 June.

Eisenhardt, K. M. (1989). Building theories from case study research. Academy of management review, 14(4), 532-550.

Elasrag, H. (2016). Islamic finance for SMES. Journal of Economic and Social Thought. Volume 3, Issue 3, September 2016. Pp 417-433.

Farouk Abdel All, S., Jabeen, F., & Katsioloudes, M. (2017). SMEs Capital Structure Decisions and Success Determinants: Empirical Evidence from the UAE. Journal of Accounting, Ethics and Public Policy, 18(2).

Hillman, A.J., Withers, M.C. & Collins, B.J. (2009). Resource Dependence Theory: A review. Journal of Management, 35, 1404-1427.

https://www.arabianbusiness.com/late-payments-runaway-firms-on-increase-as-uae-businesses-cashflow-squeezed-640557.html

https://www.ecb.europa.eu/stats/ecb_surveys/safe/html/ecb.safe201911~57720ae65f.en.html#toc6

https://www.smefinanceforum.org/post/msme-finance-gap-report

Jacobson, T., Linde. J., & Roszbach. K (2005). Credit risk versus capital requirements under Basel II : Are SME loans and retail credit really different? Journal of Financial Services Research, 28 (1-3), 43

Khalique, M., Isa, A.H.B.M., Shaari, N., Abdul, J., & Ageel.A. (2011). Challenges faced by the small and medium enterprises (SMEs) in Malaysia: An intellectual capital perspective.

Klimentina Poposka, et al (2016). The start-up phase in SME Development: Main challenges, motives and financing opportunities. Journal of Sustainable Development.

Lajis, S. M. (2017). Risk-sharing securities: Accelerating finance for SMEs. *Islamic Economic Studies*, *25*(2).

OECD (2016), "G20/OECD Support Note on diversification of financial instruments for SMEs", considered by G20 finance Ministers and Central Bank Governors in Chengdu and transmitted to G20 leaders.

Oluoch, J. O. (2016). The impact of cash management practices on performance of SMEs: A survey of SMEs in Eldoret Central Business District. IOSR Journal of Economics and Finance, 7(6), 1-7.

Pais, M.A. & Gama, P.M. 2015. Working capital management and SMEs profitability: Portuguese evidence. International Journal of Managerial Finance, 11(3): 341-58

Prijadi, R and Desiana, P.M. (2017). Factors affecting the profitability and growth of small & medium enterprises (SMEs) in Indonesia. International Journal of Economics and Management 11 (S1): 35-44(2017)

Regis PJ. 2018 Access to credit and investment decisions of small- and medium-sized enterprises in China. Review of Development Economy. 2018;22:766–786.

SCHOLAR, P. (2019). A STUDY ON CASH MANAGEMENT. Complexity International, 23(2).

Shihadeh, F., Gamage, N., Kumara, S., & Hannoon, A. (2019). The causal relationship between SME sustainability and banks' risk. Economic research-Ekonomska istraživanja, 32(1), 2743-2760.

Shuklev, Management of small business, Faculty of Economics, Skopje, 4th Edition, 2006: p.217

Simon, S., Sawandi, N., & Abdul-Hamid, M. A. (2018). Working capital management and firm performance. Indian-Pacific Journal of Accounting and Finance, 2(2), 37-50.

Stjepan Pticar (2016). Financing as one of the key success factors of small and medium sized enterprises. Creative & knowledge society. DOI: 10.1515/cks-2016-0010

The State of Small and Medium Enterprises (SMEs) in Dubai, 2019, Dubai SME.

Wasiuzzaman, S. (2018). Determinants of liquidity in Malaysian SMEs: a quantile regression approach. International Journal of Productivity and Performance Management. October 2018

Zhang, X., Chen, S., & Yu, S. (2017). Trends in working capital management and its impact on firms' performance-An analysis of SMEs. Research on Modern Higher Education, 3, 47-54.