

Impact of external factors on growth of micro and small business enterprises: The case of MSEs in Finote selam city, Ethiopia

Hunegnaw Alemu Desta ¹ and Professor P. Venkateswarlu ²

¹ Research scholar in department of Commerce & management studies at Andhra University, India

² Research Director in department of Commerce & Management studies at Andhra University, India

Corresponding author & Email: **Hunegnaw Alemu Desta** , dub568@gmail.com

Received: 28 February 2022 **Accepted:** 2 March 2022 **Published:** 31 March 2022

Abstract

The major objective of this study is to describe impact of external variables on growth of micro and small business enterprises in Finote selam city, Ethiopia. MSEs in Ethiopia have many roles for the development of the economy of the country. MSEs are back bone of the economy of the country because they contribute greater part for the development of gross domestic product of the country (Mengesha, 2018). However; there are bottlenecks to divert micro and small business enterprises to be out of the truck of growth. Access to technology, access to finance and access to infrastructure are external factors having impact on growth of MSEs (Tekele, 2019). Primary data were collected using questionnaires from 200 sampled owners of MSEs in Finote selam city. The data collected were analyzed by using descriptive statistics and inferential analysis using SPSS version 21. Both qualitative and quantitative research approach were used. Convenient random sampling technique was used to draw each sample respondents from 400 owners/ operators of MSEs in Finote selam city. According to the finding of this study, access to finance and access to infrastructures are the most powerful factors to affect growth of MSEs. According to the odd ratio of binary logistic regression analysis, the probability of growth of MSEs in the study increases by 4.351 and 4.842 if MSEs have an ease access to finance and furnished infrastructures among other external factors included in this study respectively. On the bases of the findings of this study, recommendations have been forwarded to the concerned parties to give due attention / emphasis for access to infrastructure and finance.

Key words: 1. Effect 2. External 3. Factors 4. Growth 5. Micro and Small business enterprises

1. Introduction

Micro and small business enterprises (MSEs) have greater roles to support economies of countries because they provide high employment opportunities; they ensure regional economic balance and other many benefits can be obtained from operation of MSEs. Many studies assure that MSEs are the best mechanism by contributing a lot for the development of GDP, mitigation of unemployment rate and creating conducive environment by having competition. As many studies show, MSEs have greater roles mainly for developing countries because in developing countries there is excess labor force that can be absorbed by MSEs sector. In Ethiopia, MSEs sector is the best sector to provide greater job opportunity next to agriculture sector. As the national survey conducted by Ethiopian central statistical agency, larger number of people has been given job opportunities in 2005. Thus, we can say that, MSEs are back bone of the economy of the country because they contribute greater part for the development of gross domestic product of the country (Mengesha,

2018). However; many external factors impact the growth of MSEs. According to the study conducted, technology usage, working locations/premises and information availabilities from external environment are some of the factors affecting growth of MSEs (Boshe, Geta and Yesigat, 2021). Though MSEs have greater contributions for reduction of unemployment rate in Ethiopia, many bottlenecks are there to affect their growth. However; factors from the external environment affects growth of MSEs in Ethiopia. As the finding of the study shows that poor infrastructure facilities, inconvenient working premises and shortage of finance are the bottlenecks for growth of MSEs (Mengesha, 2018). Infrastructural facilities are considered as bottlenecks for growth of MSEs in Ethiopia because there is frequent power interruption, insufficient water and poor sewerage system. These problems influence MSEs not to generate the expected profit and achieve success/ growth (Abdissa, & Fitwi, 2016). Access to technology, access to finance and access to infrastructure are external factors having impact on growth of MSEs (Tekele, 2019) because MSEs in Ethiopia are un able to easily access fund from the source, the infrastructure facility accessed is not convenient for growth of MSEs and many MSEs are not users of new technologies for their business activities since they are already localized. This is considered as the problem having impact to limit the growth of MSEs in Ethiopia. To this end, the purpose of this study is to make analysis and describe the extent of external factors effect on growth MSEs in Ethiopia.

2. Literature review

Micro and small business enterprises in the world have contributed a lot by playing many roles for developing countries economy. They play roles by serving as mechanism of income generations, providing job opportunities and by being engaged in innovation activities so as to add new values necessary for building the economy of the world in general (Tekele, 2019). However; there are many bottlenecks from the external environment to affect micro and small business enterprise' growth. Some of the external factors are reviewed as follows Technology is an important external factor affecting enterprise' performance. The demand to acquire technology cannot match with small business enterprises' capacity to employ it. This creates tension. Enterprises adapting sophisticated technology are in the right position to gain competitive advantage so as to ultimately influence growth in the positive way. Access to technology from the external environment is a factor affecting growth of MSEs (Durowoju, 2017). Access to finance is another external factor affecting growth of MSEs. According to the study conducted by access to finance has positive and significant impact on growth of mSEs. As per the result of this study, access to fiancé has greater influence to affect growth (Kassa, 2021). Loan accessibility must be easy. The collateral requirement and interest rate charged on the loan have effects on growth of enterprises. If the collateral requirement stated in the loan policy of money lenders is easy, MSEs can be encouraged to be on the right truck of growth. Lower interst rate also favours MSEs for growth. Working premises of MSEs has been identified as having positive and significant impact on growth of total asset of enterprises. This study has concluded that an easy access and convenient working premises increases total assets as growth of MSEs in the study area (Endiris & Fentahun,. 2020). As it is stated by Ayele (2018), access to market the bottleneck for success full growth of micro and small business enterprises in Ethiopia. Many MSEs in Ethiopia have marketing problems so as to limit their growth. As enterprises easily access market for their products, their performance also improves. Therefore, access to market has positive and significant impact on performance of MSEs. Small business enterprises can be affected by infrastructure facilities such as access to power and access to transport facilities and other infrastructure facilities. If power outage / interruption of power increases, enterprises growth/ performance also improves. As the transport facility is good for operating businesses, enterprises have improved performance. Thus from this we can understand that furnished infrastructure facility has positive and significant impact for growth of MSEs (Hassen & Degu, 2019). Access infrastructure such as availability of power, internet, water, sewerage system and road facility determine the growth of micro and small business enterprises.

3. Objectives of the study

The main objective of the study is to describe the impact of external factors on growth of MSEs in Finote selam town, Ethiopia

4. Methods of the Study

The type of this research is explanatory type of research because there cause and effect relationship between predictors and the outcome variable exists. The researcher used qualitative and quantitative research approach as mixed approach because qualitative data were analyzed by converting in to numeric values to know the average values of responses in simple way. The data were also converted in to quantitative value to estimate by how much each dependent variable affects the dependent variable to bring growth of MSEs in the study area. The data were analyzed using descriptive statistics, Pearson correlation product to see the relationship between independent variables and the dependent variable and binary logistic regression analysis was also applied to measure the probability of change of growth of MSEs due to change of independent variables such as access to finance, access to infrastructures, access to technology, access to market and access to working premises.

5. Data used

Primary data were collected from owners/operators of MSEs in the study area. Objective type of questions in likert scale form was included in the questionnaire. The value of level of agreement of respondents were strongly disagree=1, disagree = 2, agree = 3, moderately agree = 4 and strongly agree =5. Therefore, the questionnaire designed in such 5 likert scale was distributed among owners/operators of MSEs in Finote selam city, Ethiopia to gather primary data. Thus, primary data were collected from 200 sample respondents who are owners of MSEs in the study area using questionnaire

6. Analysis, result and discussion

6.1. Reliability test

Before the data were analyzed, reliability test was conducted to assure data reliability. The test was conducted by computing cronbach alpha using SPSS. The result has been give below in the table.

Table 1: Reliability test

Number	Factor	Number of variables	Cronbach's Alpha
1	Access to finance	8	.834
2	Access to infrastructure	6	.72
3	Access to market	5	.78
4	Access to working premises	4	.71
5	Access to technology	3	.74
7	All variables	26	.78

As it is seen in the table above, value of cronbach alpha was computed by using SPSS to measure reliability of the data. Accordingly, the result shows that the data is reliable because the Cronbach Alpha value both for individual factors and the whole value meet the threshold set by the rule. As it is observed in the table above, cronbach alpha values for access to finance, access to infrastructure, access to market, access to working premises and access to technology are .834,.72,.78, .71,.71 and .74 respectively. These values assured

reliability of the data since they are greater than the threshold. The overall cronbach alpha value for the whole is .78 which is also above the threshold. Therefore, on the base of reliability of the data, descriptive and inferential analyses were made.

6.2. Descriptive analysis

Table 2. Access to finance

Question	Respondents' response	Frequency	Valid Percent	Cumulative Percent
Access to finance contributes for growth of MSEs	strongly disagree	10	5.5	5.5
	disagree	22	26.0	31.5
	Moderately agree	51	30.1	40
	agree	77	38.5	70.0
	strongly agree	50	30.0	39
	Total	200	100.0	100.0

Regarding to access to finance, respondents have put their level of agreement about effect of access to finance for growth of their business. As it is depicted in the table above, 38.5 % of the whole respondents responded as they agree. Access to finance related variables such as loan with affordable interest rate and easy procedure can contribute a lot for growth of MSEs. Therefore, we can understand that access to finance is important / the highest factor for bringing growth for enterprises. If the requirement for collaterals is easy, the growth of MSEs are encourage positively.

Table3 Access to market

Question	Respondents' response	Frequency	Valid Percent	Cumulative Percent
Ease Access to market contributes for growth of MSEs	strongly disagree	14	7.0	7.0
	disagree	8	4.0	11.0
	Moderately agree	10	5.0	16.0
	agree	58	29.0	45.0
	strongly agree	110	55.0	100.0
	Total	200	100.0	

As it is indicated in the above frequency table, majority of respondents showed their level of agreement about access to market having effect on growth of their MSEs is strongly agree. This shows that if MSEs are able to easily access market for their products, they will achieve growth. We can also observed from the table above that respondents /business owners categorized access to market has strong influence on growth of MSEs in the study area.

Table4. Access to technology

Question	Respondents' response	Frequency	Valid Percent	Cumulative Percent
Technology for doing business has influence on growth of MSEs	strongly disagree	17	8.5	8.5
	disagree	27	13.5	22.0
	Moderately agree	12	6.0	28.0
	agree	75	37.5	65.5
	strongly agree	69	34.5	100.0
	Total	200	100.0	

The other factor offered for respondents to show their level of agreement is access to technology. As we can see in the above table, majority of the respondent's level of agreement is "agree". This implies that technology is the factor contributing for achievement of growth of MSEs. We can understand that if owners of MSEs are near for technology to easily access it for business activities, they can achieve growth.

Table 5. Access to infrastructure

Question	Respondents' response	Frequency	Valid Percent	Cumulative Percent
Furnished infrastructure facilities have positive influence on growth of MSEs	strongly disagree	17	8.5	8.5
	disagree	50	25.0	40.0
	Moderately agree	12	6.0	46.0
	agree	58	29.0	75.0
	strongly agree	63	31.5	100.0
	Total	200	100.0	

Respondents were asked to show their level of agreement regarding effect of infrastructure facilities for growth of MSEs. As it is seen in the above table, majority of respondents (31.5%) strongly agreed about contribution of infrastructures facilities for growth of enterprises. This implies that MSEs need furnished and adequately available power, water, and sewerage system and furnished road facilities to effectively run business operations so as to achieve growth.

Table 6. Access to working premises

Question	Respondents' response	Frequency	Valid Percent	Cumulative Percent
Getting own working premises has effect for growth of MSEs	strongly disagree	8	4.0	4.0
	disagree	49	24.5	28.5
	Moderately agree	6	3.0	31.5
	agree	95	47.5	52.5
	strongly agree	42	21.0	100.0
	Total	200	100.0	

Respondents were also asked to indicate their level of agreement on access to working premises. According to the above analysis, majority of MSEs owners (47.5%) showed as “strongly agree”. This indicates that unless owners have convenient and own working premises, it is too difficult to achieve growth. Therefore, they need to get convenient and own working premises easily from the government. If owners of MSEs are not able to get own working premises, they may not afford rent cost by hiring it from privates. Thus, the enterprise development office of the government should avail convenient working premises for owners of enterprises.

6.3. Inferential analysis

Inferential analysis was also made. Pearson product correlation was conducted to see the relationship between independent variables and the dependent variable growth of micro and small business enterprise /9MSEs). Accordingly, this analysis was made to check existence of relationship between access to finance and growth ofMSE, access to market and growth of MSEs, and access to technology and growth of MSEs, access to infrastructure and growth of MSEs, and access to working premises and growth of MSEs. The result of relationship between each independent variable and dependent variable has been displayed in the table below. Apart from Pearson product correlation, binary logistic regression analysis was also conducted. Since the dependent variable (growth of MSEs) was defined and described as growth or not growth to have two outcomes and to test the hypotheses developed, binary logistic regression model was used. This model helped the researcher to state the probability of growth/ not growth of MSEs due to existence of each independent variables. The result of binary logistic regression analysis has been displayed in the tables below.

1. Correlation analysis

Table7. Pearson correlation

		Correlations					
		Growth of MSEs	Access to finance	Access to market	Access to technology	Access to infrastructure	Access to working premises
Growth of MSEs	Pearson Correlation	1	-.105	-.022	.027	.025	.110
	Sig. (2-tailed)		.140	.758	.702	.730	.120
	N	200	200	200	200	200	200
Access to finance	Pearson Correlation	.425	1	.113	-.031	.117	.064
	Sig. (2-tailed)	.000		.110	.659	.098	.370
	N	200	200	200	200	200	200
Access to market	Pearson Correlation	.027	.113	1	.533**	-.012	.025
	Sig. (2-tailed)	.004	.110		.006	.865	.722
	N	200	200	200	200	200	200
Access to technology	Pearson Correlation	.028	-.031	.533**	1	.331**	.098
	Sig. (2-tailed)	.003	.659	.007		.006	.166
	N	200	200	200	200	200	200
Access to infrastructure	Pearson Correlation	.305	.117	-.012	.331**	1	.202**
	Sig. (2-tailed)	.001	.098	.865	.000		.004
	N	200	200	200	200	200	200
Access to	Pearson Correlation	.110	.064	.025	.098	.202**	1

working premises	Sig. (2-tailed)	.004	.370	.722	.166	.004	
	N	200	200	200	200	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

The Pearson correlation analysis was conducted to see the correlation between independent variables and the dependent variable, capital growth of MSEs. As it is depicted in the correlation table above, access to finance has significant positive correlation with total capital growth ($r = .322$ and $p\text{-value} = .000$). From this result we can conclude that there is strong correlation between access to finance and total capital growth. The other external factor correlated with total capital growth of MSEs is access to market. There is positive correlation between access to market and growth of enterprises ($r = 0.027$ and $p\text{-value} = .004$). The correlation coefficient tells us that there is weak relationship between access to market and growth of MSEs in the study area though there is positive correlation. Pearson product correlation was also made between access to technology and growth of MSEs. As a result of the analysis in the table above, there is positive relationship between access to technology and growth of MSEs in the study area ($r = 0.028$ and $p\text{-value} = 0.003$). Thus, the relationship existing between access to technology and growth of MSEs is positive, but weak. The relationship between access to infrastructure and growth of MSEs is significant and positive because $r = .305$ and $p\text{-value} = 0.001$. This value shows that there is strong positive correlation between access to infrastructure and growth of MSEs. Access to working premises has significant and positive correlation with growth of MSEs ($r = .110$ and $.004$), but the relationship is weak due to having less correlation value. This finding of the study is consistent with the study conducted by MSEs Abdissa, & Fitwi (2016), technological factors, infrastructural factors, finance factors and marketing factors are identified as they are significantly correlated with performance as growth

2. Logistic Regression analysis

Table8. Model Summary

Step	2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	129.782 ^a	.206	.352

Table9. Binary logistic analysis result

External factors	B	S.E.	df	Sig.	Exp(B)/ odds ratio	95% Confidence interval	
						Lower	Upper
Access to finance	2.470	1.060	1	.000	4.351	.545	34.728
Access to market	1.238	10498.242	1	.002	.996	.998	3.552.
Access to technology	.895	7423.080	1	.003	.185	.091	1.345.
Access to infrastructure	1.290	1.948	1	.000	4.842	.589	22.421
Access to working premises	.788	1.285	1	.004	.179	.177	2.280

As it is depicted in the table above, all predictors access to finance, access to market, access to technology, access to infrastructure and access to working premises have significant relationship and impact on growth of micro and small business enterprises in the study area.

When we see the influence of each of the dependent variables on growth of MSEs, access to finance has positive and significant effect on growth of MSEs (with p-value .000 and odds ratio 4.351). This shows that as access to finance increases by 1 unit, the probability of growth of MSEs increases by 4.351. From this we can conclude that growth of MSEs is affected positively. Thus, the hypothesis developed as access to finance has significant impact on growth of micro and small business enterprises in Finoteselam town will be accepted. Access to market affects enterprises' growth (p -value = .002 and odds ratio =.996) significantly. Chance of growth of MSEs increases by .996 as market accessibility is easy for enterprises to market their products. So, access to market has significant impact on MSEs growth. As a result of this, the hypothesis designed as access to market has significant impact on growth of micro and small business enterprises in Finoteselam town will be accepted

Access to technology for running MSEs is another factor considered for influencing their growth. Accordingly, as it is seen in the table above, access to technology (with p- value = .003 and odds ratio= .165) has significant and positive impact on growth of micro and small business enterprises. As access to technology increases by one unit, the chance MSEs to grow also increases by .165. So, the hypothesis formulated as access to technology has significant impact on growth of micro and small business enterprises in Finoteselam town will be accepted.

Access to infrastructure (with p-value= .000 and odds ratio= 4.842) also affects growth of MSEs significantly. As access to furnished infrastructure increases by one unit, the probability of growth of MSEs also increases by 4.842 in the study area. Therefore, the hypothesis formulated as access to infrastructure has significant impact on growth of micro and small business enterprises in Finoteselam town will be accepted. The other factor having significant impact on growth of MSEs is working premises with p-value = .004 and odds ratio = .179. This indicates that as access to convenient working premises increases by one unit, the likely chance of growth of MSEs also increases by .179. Therefore, the hypothesis developed as access to working premises has significant impact on growth of micro and small business enterprises in Finoteselam town will be accepted. This study is consistent with the finding obtained by Ayele (2018), access to working premises, access to finance, access to infrastructure and access to market are external factors having impact on growth of MSEs. The other study which supports this finding states that as access to infrastructure, access to market, access to finance and access to working premises/location of the business are easily obtained by owners of MSEs, the growth status of enterprises increases (Alemayehu & Gecho, 2016).

3. Conclusion and recommendation

This study has been conducted by carrying out descriptive analysis to know the level of agreement of respondents on each factor. Inferential analyses were also made. By carrying out analysis Pearson product correlation, it was possible to know the relationship between independent variables and dependent variable. The researcher also used binary logistic regression model to know the probable impact of each independent variables on growth of micro and small business enterprises in the study area.

According to the descriptive result, majority of the respondents (77) put their level of agreement on access to finance to impact growth of MSEs is "agree". This implies that there is impact of access to finance on growth of MSEs in the study is. There is market problem of MSEs in the study area because majority of respondents (110) showed their level of agreement on access to market influence on growth of MSEs is "strongly agree". There is access to technology effect on growth of MSEs in the study are because majority of responders (75) agreed it. There are also impacts of access to infrastructure and access to working premises because majority of respondents put their level of agreement for such questions are "strongly agree " and " agree" respectively. Therefore, from the findings obtained by descriptive statistics, we can understand that access to infrastructure and access to market are the top most factors affecting growth of MSEs in Finote selam city. When we see the result of Pearson product correlation analysis result, there is a significant relationship between all the six independent variables included in this study and growth of micro and small business enterprises. We can conclude that among these factors, access to finance and access to infrastructure have relatively higher correlation effects on growth of MSEs with

correlation value of .425 and .305 respectively. As the finding obtained from binary logistic regression analysis, we can conclude that the probability of change of growth status can be more increased due to the effect of access to finance and access to infrastructure because the odds ratio of these two variables is greater than other odds ratio.

From the above findings and conclusions, we can generally imply the access to infrastructure and access to finance are the two most top factors to influence growth of MSEs in Finote selam city. Thus, if micro and small business enterprises are able to easily access fund and have furnished infrastructure facilities, they will have greater chance to grow.

On the bases of the findings and conclusions drawn in the above, the following recommendation has been forwarded to the concerned party to put all MSEs on growth truck. When we see the finding of this research, access to finance and access to infrastructure, they have greater power of influencing micro and small business enterprises either to grow or not. Therefore, all enterprises should have easy finance access such as getting loan with rational/ affordable interest rate and loan accessibility procedure must be easy for them. Collateral demand other loan accessibility requirements should be rational. Thus, commercial banks and micro finance should amend their loan and interest rate policy in favor of meeting fund requirement of micro and small business enterprises. Thus, access to finance by MSEs will be easy. The other critical factor for growth or not growth of MSEs is access to infrastructure. The government must as much as possible to furnish infrastructure facilities such as alleviating the problem of power outage/ interruption, constructing roads around premises of enterprises, establishing good sewerage system to dispose their wastes easily and availing waters around their working premises . Therefore, if all infrastructure facilities are fulfilled in such away, MSEs will be on the truck of growth.

Reference

1. Durowoju, S. T. (2017). *Impact of technological change on small and medium enterprises performance in Lagos State. Economic and Environmental Studies, 17(4 (44)), 743-756.*
2. Kassa, E. T. (2021). *Socioeconomic determinants of micro and small enterprise growth in North Wollo and Waghimira Zone selected towns. Journal of Innovation and Entrepreneurship, 10(1), 1-14.*
3. Mengesha, B. T. (2018). *Determinants of micro and small business enterprises growth: The case of three selected Woreda. Gurage Zone, Ethiopia.*
4. Tekele, A. A. (2019). *Factors affecting the performance of micro and small enterprises in Wolita Sodo Town. International Journal of Research in Business Studies and Management, 6(12), 18-26.*
5. Abdissa, G., & Fitwi, T. (2016). *Factors affecting performance of micro and small enterprises in South West Ethiopia: The case of Bench Maji, Sheka, and Kefa zones. Global Journal of Management and Business Research.*
6. Endiris, A., & Fentahun, G. E. (2020). *Determinants of Total Asset Growth in Micro and Small-Scale Enterprise in Gondar City, Ethiopia. Journal of Agricultural Economics, 6(1), 689-696.*
7. Ayele, T. (2018). *Review on Factors Affecting the Performance of Micro and Small Enterprise (MSE) in Ethiopia. International Journal of Political Science and Development, 6, 275-279.*
8. Alemayehu, D., & Gecho, Y. (2016). *Determinants of micro and small enterprises growth: The case of Durame Town, Kembata Tembaro Zone, southern nations and nationalities and peoples region, Ethiopia, 2016. International Journal of Business and Economics Research, 5(5), 161-175.*
9. Hassen, S., & Degu, T. (2019). *The Effect of Power Outage on Micro and Small Enterprise Productivity. Ethiopian Journal of Economics, 28(1), 150-165.*
10. Nyanzu, F., & Adarkwah, J. (2016). *Effect of Power Supply on the performance of Small and Medium Size Enterprises: A comparative analysis between SMEs in Tema and the Northern part of Ghana.*
11. Adeoti, J. O., & Asabi, M. O. (2018). *Effect of Record Keeping Practices on the Performance of Micro Enterprises in Lagos State, Nigeria.*

12. Aladejebi, O., & Oladimeji, J. A. (2019). *The impact of record keeping on the performance of selected small and medium eAdeoti, J. O., & Asabi, M. O. (2018). Effect of Record Keeping Practices on the Performance of Micro Enterprises in Lagos State, Nigeria. nterprises in Lagos Metropolis. Journal of Small Business and Entrepreneurship Development, 7(1), 28-40.*
13. Chhabra, M. (2018). *Gender Gap in 'Success Factors' among Entrepreneurs: A Study of Micro and Small Enterprises. SEDME (Small Enterprises Development, Management & Extension Journal), 45(2), 1-17.*
14. Amaradiwakara, A. U., & Gunatilake, M. M. (2017). *Factors affecting growth of small and medium enterprises in Sri Lanka. International Journal of Advanced Research, 3(2), 1805-1814.*
15. Sitharam, S., & Hoque, M. (2016). *Factors affecting the performance of small and medium enterprises in KwaZulu-Natal, South Africa. Problems and perspectives in Management, 14(2), 277-288.*
16. Degefu, D. G. (2018). *Factors That Determine the Growth of Micro and Small Enterprises: In the Case of Hawassa City, Ethiopia. iBusiness, 10(04), Kiveu, M., & Ofafa, G. (2013). Enhancing market access in Kenyan SMEs using ICT. Global Business and Economics Research Journal, 2(9), 29-46.185.*
17. Kebede, M., & Simesh, G. (2015). *The impact of environmental factors on the performance of micro & small-scale enterprises in East Gojjam zone, Ethopia. International Journal of Science and Research, 6(3), 1619-1629.*
18. Rizal, O., Suhadak, M., & Kholid, M. (2017). *Analysis of the influence of external and internal environmental factors on business performance: A study on*
19. Abdissa, G., & Fitwi, T. (2016). *Factors affecting performance of micro and small enterprises in South West Ethiopia: The case of Bench Maji, Sheka, and Kefa zones. Global Journal of Management and Business Research. micro small and medium enterprises (MSMES) of food and beverage. Russian Journal of Agricultural and Socio-Economic Sciences, 66(6).*