

Romanian SMEs Financing Options: An Empirical Analysis

Ioan E. Nistor¹, Daniela-Rodica Popescu²

^{1,2}*Babes-Bolyai University, Faculty of Economics and Business Administration,
Department of Finance*

ioan.nistor@econ.ubbcluj.ro, daniela_p0pescu@yahoo.com

Abstract: *One of the most pressing problems faced by micro, small and medium sized enterprises (henceforth SMEs) in Europe is the access to sufficient funds to sustain their long term growth. Romanian SMEs make no exception. In this context the present paper focuses on analyzing the extent to which external funding sources have contributed to the value added created by the Romanian SMEs between 2007 and 2011. The investigation's results indicate the existence of a causal link between some forms of external financing (namely bank loans, leasing, factoring, guarantee products and European funds) and the value added created by the Romanian micro, small and medium sized enterprises in the aforementioned period.*

Key words: micro, small, medium sized enterprises, bank loans, leasing, factoring, microcredit, European Funds, created value added

JEL classification: G21, G32, L25, O52

1. Introduction

The Romanian private sector has undergone tremendous changes in the last 23 years. Some of these changes were the direct result of the gradual growing presence of financial intermediaries on the market. Access to external sources of funding has eased the growth of Romanian small and medium sized enterprises. According to a study conducted by the European Commission, at the end of 2011, 58% of a total of 541 interviewed firms admitted that in the last six months of the reporting date (November 2011) have successfully accessed at least a source of external financing while only 4.7% said they exclusively used their own resources to support their businesses. The answer distribution of the Romanian companies included in the survey is in fig.1.

Considering these statistics the aim of the present study is to analyze empirically the impact of different forms of external financing on the growth value added created by the Romanian SMEs between 2007 and 2011. In addition we have sought to identify the funding sources relevant for the growth of Romanian SMEs, by size class, in the analyzed period.

The paper is organized as follows. Section I introduces a short literature overview regarding the impact of external sources of finance on SMEs growth. Section II describes the date and methodology employed to study the relationship between external financing sources and SMEs development. Section III presents the main regression results and tests used to check the robustness of our findings and section IV concludes.

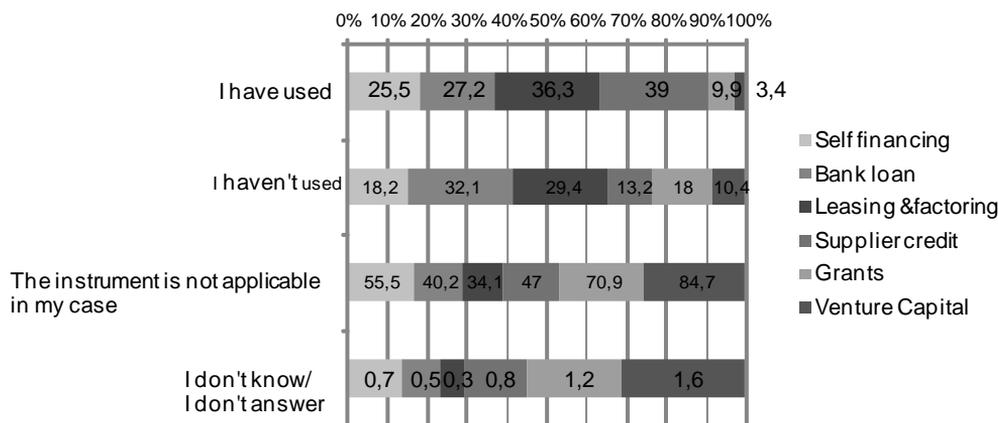


Fig. 1. Romanian SMEs Financing Options (poll results 2011)
 (Source: European Commission, 2011, processed by the authors)

2. Literature overview

The study of SMEs growth determinants is an issue currently under debate in many literature textbooks. Butters and Lintner's (1945) remark "[m]any small companies—even companies with promising growth opportunities—find it extremely difficult or impossible to raise outside capital on reasonably favorable terms" has brought up many questions regarding small firm's growth determinants. A particular focus was placed on identifying and accessing the necessary financing resources.

Riding and Haines, (1998) show that in Canada, loan guarantee programs are an effective mean of stimulating job creation and assisting small firms' survival and growth.

Becchetti and Trovato (2002), prove empirically that for Italian SMEs the availability of external finance, though problematic, it is an important growth determinant. The authors show that this is mainly due to the fact that the Italian financial system is "bank oriented" making access to external finance a difficult task for all enterprises.

Based on the results of a survey conducted in May–June 2001 on 297 Romanian start-up enterprises, Brown, Earle, and Lup (2004) find that access to external credit determines an increase in employment and sales. Their results are consistent with those obtained previously by Pissarides, Singer, and Svejnar (2003) for Russia and Bulgaria which cite the lack of credit finance as a top 5 obstacle in fostering SMEs growth. Using a database of 2400 Chinese firms Ayyagari, Demirgüç-Kunt and Maksimovic, (2008) suggest that firm growth is associated with financing from the formal financial system although a small percentage of them get to access it.

In a different study Olutunla and Obamuyi (2008) prove that there is a high interdependence between SMEs profitability and the volume of the bank financing that they access. If SMEs fail to access debt financing to support their investment projects, firm performances cannot be achieved.

Examining 523 Dutch small and medium sized firms, Zhou and de Wit (2009) conclude that the availability of financial capital is crucial to firm growth. Similar results have been obtained by Abubakr (2009) who suggests that formal financing ease firm's growth while informal finance attenuates it. The author's results attest that "a well

developed financial system based on functioning banks, credit companies and solid financing institutions improves resource allocation and accelerates firm growth”.

Shinozaki (2012) shows that compared to larger firms formal finance accelerates the growth of Asian SMEs. As a result the enhancement of SMEs formal financial accessibility creates the necessary tools for the government to achieve sustainable economic growth.

3. Data and methodology

The dataset used to carry out the empirical analysis was constructed taking into account the SME definition set out by the European Commission in 2003. The common SME definition states that, “the category of micro, small and medium-sized enterprises is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million” (European Commission 2005). Within the SME category the ceilings used to establish whether an enterprise is a micro, small or medium are the following:

Table 1: Ceilings used for differentiating SMEs by size class

Enterprise category	Headcount	Turnover or Balance sheet total
Medium-sized	< 250	≤ € 50 million ≤ € 43 million
Small	< 50	≤ € 10 million ≤ € 10 million
Micro	< 10	≤ € 2 million ≤ € 2 million

Source: European Commission, 2005

Drawn from official statistics, the dynamic of the external funds used/ contracted by Romanian SMEs in the 2007 and 2011 period is presented in table 2:

Table 2. External funds used/ contracted by Romanian SMEs in the 2007 and 2011 period

Financing Source	Accesed funds (mil Euro)				
	2007	2008	2009	2010	2011
Bank loan	214.383	281.338	273.482	287.015	229.420
Leasing	4,95	4,82	1,33	1,12	1,35
Factoring	1.300	1.650	1.400	1.800	2.582
Venture capital	33,79	42,66	4,18	11,95	57,56
Microcredit	8	16	22	20	18
Guarantee products	353	311	659	756	528
European Funds – signed contracts*					
SOPIEC	-	69	142	742	1.065
ROP	-	-	98	216	494
SOP HRD	-	1	23	198	35
NRDP	-	347	694	1.202	1.647
FOP	-	-	-	190	109
Total	216.083	283.779	276.525	292.153	235.957

Source: BNR, Eurostat, Management Authorities Raports, 2007-2011, processed by the authors

Variable description

The dependent and explanatory variables used in the regression model are:

A. Dependent variable:

- Growth value added (GVA). This variable reflects the rate of change of gross value added created by Romanian SMEs by size class. GVA was constructed using statistical data from the Annual Report of the SME sector in the European Union prepared by the Directorate General for Enterprise and Industry of the European Commission (EIM Business & Policy Research, 2010, 2012). The analysis of the relationship between the value added created by SME size class and the 7 sources of finance studied aims at highlighting the funding sources relevant for the activity of SMEs in the 2007-2011 period.

B. Explanatory variables:

- Long term bank loans (LTL) - reflects the annual percentage change in the volume of long-term bank loans contracted by Romanian SMEs by size class between 2007 and 2011. The indicator was calculated by influencing the volume of long-term loans contracted by the Romanian private sector in the 2007-2011 period (European Commission, DG Enterprise and Industry, 2012) with the results of CNIPMMR annual White Paper on SMEs survey conducted between 2007 and 2011;

- Leasing (L) represents the annual percentage change in lease financing volume made by Romanian SMEs by size class in 2007-2011. The indicator was calculated by influencing the lease financing volumes contracted by the private sector in Romania in 2007-2011 and reported by the Association of Financial Companies in Romania, (2012) with the results of CNIPMMR annual White Paper on SMEs survey conducted between 2007 and 2011;

- Factoring (F) refers to the annual percentage change of factoring financing accessed by Romanian SMEs by size class in 2007-2011. The indicator was calculated by influencing the factoring financing volumes contracted by the private sector in Romania in 2007-2011 reported by Factors Chain International, (2012) with the results of CNIPMMR annual White Paper on SMEs survey conducted between 2007 and 2011;

- Venture capital (VC) refers to the annual percentage change of venture capital financing accessed by Romanian SMEs by size class in 2007-2011. The indicator was calculated by influencing the venture capital sums contracted by the private sector in Romania in 2007-2011 reported by European Venture Capital and Private Equity, (2012) with the results of the annual surveys conducted by The National Council of Small and Medium Sized Private between 2007 and 2011 and included in the White Charter of Romanian SMEs report;

- Microcredit (MC) refers to the annual percentage change of microcredit financing accessed by Romanian SMEs by size class between 2007 and 2011. The indicator was calculated by influencing the microcredit volumes contracted by the private sector in Romania in 2007-2011 with the results of the annual surveys conducted by The National Council of Small and Medium Sized Private between 2007 and 2011 and included in the White Charter of Romanian SMEs report;

- Guarantees (GR) refer to the annual percentage change of guarantees accessed by Romanian SMEs by size class in 2007-2011. The indicator was calculated by influencing the guarantees volume contracted by the private sector in Romania in 2007-2011 with the results of the annual surveys conducted by The National Council of Small and Medium Sized Private between 2007 and 2011 and included in the White Charter of Romanian SMEs report;

- European funds (contracted sums) (EF) refer to the annual percentage change of EU funds contracted by Romanian SMEs by size class in 2007-2011. The indicator

was calculated by influencing the EU contracted funds by the private sector in Romania in 2007-2011 with the results of the annual surveys conducted by The National Council of Small and Medium Sized Private between 2007 and 2011 and included in the White Charter of Romanian SMEs report.

To capture the particularities of the economic environment in which SMEs operate the following control variables have been included in the analysis:

- Investment growth rate (Ri) shows the extent to which Romanian SMEs by size class invested. Investment growth rate was calculated as the change in annual investments by SME size classes in 2007-2011. This variable was included in the analysis as most investments made by SMEs need external financial resources. Therefore, a high growth rate of investment involves the use of a larger volume of external financing resources;

- Real interest rate (Rd) is the difference between the nominal interest rate and the annual rate of inflation. A high inflation rate makes the loan contracting more attractive for SMEs, but less attractive for banks. For the nominal interest rate situation is reversed. In practice, inflation and nominal interest rate often go hand in hand. A higher real interest rate is expected to decrease demand for credit;

- General Government Consolidated Budget (GCB): This variable is defined as the difference between revenues and expenditures recorded in the consolidated budget. A deficit indicates a greater need for the government to use external sources of finance. This will increase demand for loans. Therefore, it will be less room for the private sector (e.g., firms) to access external finances. In addition, increasing demand from the public sector will in turn make loans more expensive (i.e. increased interest rate), which will make them less attractive to companies. Therefore, a budget deficit is associated with a decrease in the volume of loans that the private sector can access to finance their investments. A budget surplus is expected to have a positive effect on private sector lending by reducing lending rates and increasing financial resources;

- Economic Confidence Index (ES) is a composite indicator made up of five sectoral confidence indicators with different weights: Industrial confidence indicator, the services confidence indicator, indicator of consumer confidence, retail trade confidence indicator. Confidence indicators are arithmetic means of seasonally adjusted balances of answers to a selection of questions closely related to the reference variable they are supposed to track (e.g. confidence indicator for industrial production). Surveys are defined in the Joint Harmonized EU Programme of Business and Consumer Surveys. Economic sentiment indicator (ESI) is calculated as an index with a mean of 100 and standard deviation of 10 over a period of time. Data are compiled according to the statistical classification of economic activities in the European Community (NACE Rev. 2) (Eurostat, 2012).

Based on the variables described above the resulted model is a panel data model where time series were grouped by firm's size class. The regression equation takes the following form:

$$GVA_{ijt} = a_0 + a_1 LTL_{ijt} + a_2 L_{ijt} + a_3 F_{ijt} + a_4 VC_{ijt} + a_5 MC_{ijt} + a_6 GR_{ijt} + a_7 EF_{ijt} + a_8 Ri_{ijt} + a_9 Rd_t + a_{10} GCB_t + a_{11} ES_t + a_{12} T + a_{13} S + \varepsilon_{ijt}$$

4. Main tests and results

Before running the regression, the variables have been submitted to a series of tests focused on identify the existence or nonexistence of the stationarity and cointegration phenomena.

Stationarity test ("unit roots" tests)

A fundamental condition that must be met before performing the estimation of a regression equation is the verification of the time series' stationary. It is essential that non-stationary series to be treated in a different way than stationary series. A stationary series is that series which properties do not change over time (i.e. average, variance and covariance for each lag are constant).

Stationarity test applied to the variables included in the analysis was the test developed by Maddala and Wu (1999) whose null hypothesis is H_0 : series is non-stationary. The Panel Unit Root Tests Results are reported in table 3:

Table 3. Panel Unit Root Tests Results

Variable	Trend and constant
GVA_{ijt}	219,13 (0,00)
CR_{ijt}	56,47 (0,01)
L_{ijt}	80,64 (0,00)
F_{ijt}	71,22 (0,00)
VC_{ijt}	20,30 (0,98)
MC_{ijt}	80,17 (0,00)
GR_{ijt}	87,92 (0,00)
EF_{ijt}	84,15 (0,00)
Ri_{ijt}	84,87 (0,00)
Rd_t	74,21 (0,00)
GCB_t	85,23 (0,00)
ES_t	70,02 (0,00)

Note: The p-value is reported in parentheses denote the rejection of the null hypothesis at 1% significance for lag order 0

Source: authors' calculation

Venture capital funds (VC) was the only variable that failed to pass the unit root test for lag order 0, 1 and 2.

Cointegration testing

Cointegration test is performed to determine whether or not there is a cointegration equation for a group of non-stationary series (i.e. a linear combination of the analyzed series, which is stationary). Given the specific data series, in this case stationary series, panel data cointegration test was applied only for the VC variable. The cointegration test used was the test developed by Westerlund (2007) (null hypothesis: H_0 no cointegration). The basic idea is to test for the absence of cointegration by determining the existence of correction errors in the pair GVA variable (dependent variable) – VC variable (independent variable).

The Cointegration test results applied to the GVA-VA pair of variables are reported in the table 4 (test report critical values, test value and significance value p):

Table 4. Cointegration test results

Statistic*	Value	Z-value	P-value
Gt	-3.936	-12.069	0.000
Ga	-3.640	0.152	0.560
Pt	-9.297	-6.109	0.000
Pa	-3.841	-4.125	0.000

*The Ga and Gt test statistics test $H_0: a_i = 0$ for all i versus $H_1: a_i < 0$ for at least one i . These statistics start from a weighted average of the individually estimated a_i 's and their t-ratio's respectively. Rejection of H_0 should therefore be taken as evidence

of cointegration of at least one of the cross-sectional units. The Pa and Pt test statistics pool information over all the cross-sectional units to test $H_0: a_i = 0$ for all i vs $H_1: a_i < 0$ for all i . Rejection of H_0 should therefore be taken as evidence of cointegration for the panel as a whole.

Source: authors' calculation

Given the results reported after running the stationarity and cointegration tests, VC variable was eliminated from the analysis. In addition when building the VC variable it was observed that approximately 13% of the reported data were differed from zero in the analyzed period. According to CNIPMMR surveys Romanian SMEs do not commonly use venture capital in their financing activity.

Main results

Table 5 presents the analysis' results without reporting the dummy variables for time and size class. The dependent variable is GVA_{it} = index change of gross value added of SMEs by size "i" year "t". In determining the regression's coefficients, linear regression with autocorrelation-corrected standard errors was used.

From Table 5 it can be concluded that in the period under review, the analyzed funding sources have contributed significantly to the annual percentage change in the Romanian SMEs created value added by size class. In addition, the explanatory power of the model is quite high, accounting for 59% of the variation in micro, 67% for small enterprises and 63% for medium-sized enterprises.

The main issues arising from the analysis of the sign and significance of each variable can be summarized as follows:

- Long term bank loans exerted a significant positive influence on the value added created by medium-sized enterprises (a 1% increase in the volume of accessed loans by medium enterprises lead to over a 1% increase in the created value added). For micro and small businesses bank loans have not exerted a significant effect on their created value added. Furthermore it can be noticed that the sign of the regression coefficient "annual percentage change of long-term bank loans accessed by companies" is different by size class. For microenterprises the regression coefficient shows a negative value denoting that for this category bank loans access deteriorates their overall economic situation. On the opposite side we find the small enterprises for which long-term bank loans exert a positive influence on their created added value;

- Lease financing had a negative impact on SMEs created value added. Explanation for this phenomenon is found in the financing costs which have increased significantly due to global economic regression. Romanian Leu's continuous depreciation has led to liquidity problems for some businesses with direct impact on their ability to create value;

- Factoring has influenced positively and significantly the created added value at microenterprise level by improving their liquidity (a 1% increase in funding by factoring lead to 0.09% increase in the added value created by microenterprises). The situation is different for small and medium enterprises for which cash "advancement" from accounts selling did not enhance enterprise's growth;

- Microcredit – access to microfinance had no influence on SMEs growth value added in the analyzed period;

- Bank guarantees as indirect mean of SMEs financing exerted a positive impact on micro and small enterprises created value added. This is explained by the fact that the size of companies in terms of number of employees and annual turnover affects their ability to provide collateral for bank loans. Under these conditions obtaining guarantees from guarantee funds leads to supporting the investment activities of micro and small enterprises and thus, their growth;

Table 5. Regression results

Variables	SMEs by size class		
	Micro	Small	Medium
LTL	-1.206 (-1.66)	0.683 (0.93)	1.117** (2.75)
L	0.492 (0.47)	-3.652** (-3.20)	-3.153*** (-4.44)
F	0.0953* (2.01)	-0.0115* (-1.97)	-0.00476*** (-3.38)
MC	-0.0116 (-1.06)	0.00769 (0.62)	-0.00805 (-0.39)
GR	0.0444** (2.93)	0.0476** (3.00)	0.00523 (0.64)
EF	-0.00566** (-2.71)	-0.00579** (-2.80)	-0.000249* (-2.25)
Ri	-0.0358 (-1.05)	0.384** (2.67)	0.111* (2.01)
Rd	0.145 (1.36)	-0.233* (-2.09)	-0.301*** (-5.13)
GCB	0.301** (3.06)	0.221* (2.13)	-0.0231 (-1.07)
ES	0.0170*** (3.32)	0.0200*** (4.6)	0.0123*** (8.47)
Observation	30	30	30
R ²	0.589	0.668	0.626

Note: Robust standard errors are reported in parenthesis. *, **, *** represent the significance level at 10%, 5% 1% respectively.

(Source: authors' calculation)

- European funds financing in terms of signed contracts have a significant negative impact on SMEs growth value added regardless of their size category. This situation was mainly due to the complex problems faced by Romanian Government in implementing the operational programs which lead to a delay in the disbursement of European funds. Most contracts have been signed at the end of 2008;

- Control indicators included in the analysis influence significantly the annual percentage changes in the value added created by SMEs. Growth rate of investment exerts a positive and significant impact on SMEs created value added. At the opposite pole is the real interest rate which causes a decrease in enterprises value due to high costs of credit access. General government balance and economic sentiment index contributes positively to small and micro enterprises created value added. The explanation for this is phenomenon simple: an economic environment perceived to be stable in all five sectors (industry, services, consumer, construction, retail trade) determines companies to increase their investments with a direct and positive impact on their created value added.

5. Conclusions

This paper has provided an insightful research on the impact of some of the most commonly used external sources of financing by Romanian SMEs and their created value added between 2007 and 2011. The results obtained in the present study should be interpreted with caution because of the small number of observations included in the analysis. However the econometric research has established the existence of a causal link between some forms of external financing (namely bank loans, leasing, factoring, guarantee products and EU funds) and SMEs GVA growth by size class. When summarizing the sign and significance of the impact of financial resources on SMEs created value added by size class we obtain the following results: Factoring and guarantee products have proven to be a growth source for micro and small enterprises while long-term bank loans contributed significantly and positively to the increase of medium sized enterprises created value added.

The obtained results are in line with the economic reality affecting SMEs development. Once the National Loan Guarantee Fund for Small and Medium Sized Enterprises entered the market the volume of disbursed funds has grown significantly making it easier for SMEs to access the necessary capital for their investment projects. Furthermore banks started to adapt their loan strategies to the new economic conditions by offering products which combined the commonly used guarantees with those provided by the guarantee funds. Nevertheless compared to micro and small enterprises, medium sized enterprises represent a more interesting lending segment to banks due to their credit history drawn from their credit registry, their capacity to provide collateral, the size and purpose of the loans they access.

Leasing and European funds were the only sources of finance that negatively affected the value added created by Romanian SMEs. In leasing case, starting with 2007, the value added tax was imposed to both interest payment and principal, making this financing option quite expensive. In EU funds case the delays in project appraisal and the reduced amounts of signed contracts compared to the allocations of the programming period did not produce the expected effects at firms' level

References

- Abubakr, S., (2009) "Formality of Financial Sources and Firm Growth: Empirical Evidence from Brazilian SMEs 1999-2005", *Journal of Academic Research in Economics*, Vol1, No. 2, 131-144.
- Asociația Societăților Financiare - ALB Romania; (2010) "Piața IFN în România", Available at la: <http://www.alb-leasing.ro/Documents/statistici/2010/NBFI-2010.pdf> [Accessed in December 2012].
- Ayyagari, M., Demirgüç-Kunt, A. and Maksimovic, V. (2008) "Formal versus informal finance: Evidence from China", *World Bank Working Papers Series* 4465.
- Becchetti, L., and G. Trovato, (2002), The determinants of growth for small and medium sized firms. The role of the availability of external finance, *Small Business Economics* 19, 291-306.
- Brown, J. D, Earle, J. S., Lup D., (2004) "What Makes Small Firms Grow? Finance, Human Capital, Technical Assistance, and the Business Environment in Romania", *Upjohn Institute Working Paper No. 03-94*. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research.
- Butters, J. K., and Lintner J.,(1945) "Effect of Federal Taxes on Growing Enterprises", Harvard University, Boston.

- EIM Business & Policy Research, (2012) "European SMEs under Pressure", Annual Report on Small and Medium –Sized Enterprises, Directorate General for Enterprise and Industry. Available at: http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/pdf/dgentr_annual_report2010_100511.pdf [Accessed in December 2012].
- European Commission, (2005) 2003/361/EC recommendation regarding SME definition, *Official Journal of the European Union*, available at <http://eur-lex.europa.eu/LexUriServ> [Accessed in December 2012].
- European Commission (2011) "SME Access to finance". Available at http://ec.europa.eu/enterprise/policies/finance/files/2011_safe_analytical_report_en.pdf [Accessed in December 2012].
- EUROSTAT, European Official Statistics. Available at: <http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/themes> [Accessed in December 2012].
- EVCA (2006-2011) Central and Eastern Europe Statistics, Available at: <http://www.evca.eu/> [Accessed in December 2012].
- Factors Chain International (2012), Available at: <http://www.fci.nl/about-fci/statistics/>, [Accessed in December 2012].
- Levy B., (1993) "Obstacles to Developing Indigenous Small and Medium Enterprise: An Empirical Assessment", *The World Bank Economic Review* 7 (1), 65-68.
- National Bank of Romania (2008-2011) Microcredit statistics. Available at <http://www.bnro.ro/Baza-de-date-interactiva-604.aspx> [Accessed in November 2012].
- Nicolescu, O., (2001) "Managementul întreprinderilor mici și mijlocii", Editura Economică, București.
- Nicolescu, O.; Haiduc, I.C.; Nancu, D.; (2009, 2010, 2011, 2012) "Carta Albă a IMM-urilor din România – 2011", Editura Sigma, București.
- Nistor, I.; (2004) "Teorie și practică în finanțarea întreprinderilor", Ed. Casa Cărții de Știință, Cluj-Napoca.
- Olutunla, G. T., and Obamuyi, T. M. (2008) An empirical analysis of factors associated with the profitability of Small and medium - enterprises in Nigeria, *African Journal of Business Management*, 2(x), 195-200.
- Pal, M., Nistor, I.A., (2011) "Time Duration Decay In Romanian Capital Markets, Theoretical and Applied Economics", *Asociatia Generala a Economistilor din Romania - AGER*, vol. 5(558)(su), pages 641-646, July.
- Persyn, D. and Westerlund J. (2008) "Error Correction Based cointegration Tests for Panel Data", *Stata Journal* 8 (2), 232-241.
- Pissarides, F., Singer, M., Svejnar J., (2003) "Objectives and constraints of entrepreneurs: evidence from small and medium size enterprises in Russia and Bulgaria", *Journal of Comparative Economics*, Vol. 31(3), 503–531.
- Riding, A. L., and Haines, G. J. (1998) "Defaulting on loan guarantees: costs and benefits of encouraging early-stage growth", In: P. D.Raynolds. W. D. Bygrave, , N. M. Carter, S. Manigart, G. D. Meyer and K. G. Shaver (eds.), "Frontiers of Entrepreneurship Research" 1998: Wellesley, MA: Babson College, 504-518.
- Shinozaki, S., (2012) "A New Regime of SME Finance in Emerging Asia: Empowering Growth-Oriented SMEs to Build Resilient National Economies", *ADB Working Paper Series on Regional Economic Integration*; No., 104, available at http://www.aric.adb.org/pdf/workingpaper/WP104_Shinozaki_SME_Finance.pdf.
- Zhou, H. and de Wit, G., (2009) "Determinants and dimensions of firm growth"; *EIM Research Reports*; Available at: <http://www.entrepreneurship-sme.eu/pdf-ez/H200903.pdf> [Accessed in May 2013].