

INCLUSIVE INSURANCE AND THE DEVELOPMENT OF MICRO, SMALL AND MEDIUM SCALE ENTREPRISES IN NIGERIA: A PANACEA FOR SDG 8

By

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Abstract:

Inclusive insurance guarantees easy access to insurance services by enabling the most vulnerable and disadvantaged groups in society to take an active role in development and protect themselves against socioeconomic shocks. Many of the rural poor in Nigeria do not have access to typical insurance providers and services. This study looked at how the performance of micro, small, and medium-sized enterprises (MSMEs) in Nigeria was impacted by inclusive insurance, a panacea for SDG-8. Questionnaires and the survey research design approach were used to collect data. Data were analysed using the Pearson Chi-square method. The findings showed that although inclusive insurance had a positive and significant influence on the operations and growth of MSMEs, effective access to insurance services by MSMEs in Nigeria was hampered by a lack of knowledge and education campaigns on the topic. In order to promote inclusive insurance, the study's suggestions include a policy roadmap for increasing access points to insurance services in underserved and rural areas, as well as concerted measures to increase access points to more rural areas and enhance infrastructure.

Keywords: *Inclusive insurance, Sustainable Development Goals, SDG 8*

1.0 INTRODUCTION

"Sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all" is the policy advocated by SDG 8. SDG 8 addresses employment and economic growth in a highly diverse and contradictory manner within its twelve sub-goals (as stated in UN 2015) in order to guarantee decent work and sustainable economic growth (Coscieme et al., 2020). The breadth of issues pertaining to employment includes full employment, the elimination of forced labour, the development of secure and safe working conditions for all employees, and sustainable work. The aims for economic growth include raising global resource efficiency and productivity, bolstering the capabilities of local financial institutions, and advancing sustainable tourism, in addition to the GDP per capita growth rate. In order to achieve sustainable development, employment, production, and consumption must all take climate change and environmental challenges into account.

In both developed and developing nations, the Micro, Small, and Medium-Sized Enterprises (MSMEs) sector drives economic change and industrialization, creating jobs and reducing poverty to a great extent (Nursini, 2020). As a result, the industry is primed for equitable and sustainable growth. The World Economic Forum (WEF 2018) states that significant chances for inclusive and sustainable growth can only be realized by tackling the high rate of informal employment and

fostering the nation's entrepreneurial culture. In emerging nations like Nigeria, where the National Bureau of Statistics projects that unemployment and poverty rates would reach as high as 33.3% and 40.09% in 2020, respectively, sustainable and inclusive growth is unquestionably necessary.

MSMEs in Nigeria have enormous potential to boost local technology, diversify output, foster indigenous entrepreneurship, create jobs, and promote integration with large-scale sectors. For instance, as of December 2017, the industry contributed 49.78% of the country's GDP, 86.3% of the labour force, and 7.64% of export earnings (NBS/SMEDAN, 2019). Unlike MSMEs, large firms, for instance, have reliable and steady revenue streams in addition to the benefit of their size. The MSMEs inherent susceptibility to risks and shocks resulting from their business operations and activities, however, presents a more pressing concern. Many times, those dangers endanger their life. Despite this, MSMEs appear to have unfavorable attitudes towards risk management, particularly when it comes to utilizing insurance knowledge and services. In order to maintain business continuity and lower the failure rate of MSMEs, it is imperative that they have access to and utilize insurance (Falkner & Hiebl, 2019).

By safeguarding MSMEs' assets, releasing their private funds for investment, and shielding them from losses brought on by business risks, natural catastrophes, and other catastrophic events, insurance risk management achieves these goals (Chatterjee & Wehrhahn, 2019). It strengthens MSMEs' ability to maintain production and bounce back quickly from shock. Therefore, having access to insurance can improve MSMEs' ability to obtain financing, which is typically the primary factor contributing to SMEs' failure. Institutional lenders rely on insurers for in-credit assessments of MSMEs in order to give credit to the latter due to insurers' proficiency in risk assessment (Sahler & Wiedmaier-Pfister, 2019).

The important topic of economic expansion and employment creation is covered in the study, especially in light of SDG 8. Through an examination of the connection between MSME development and inclusive insurance, the study aims to identify avenues for promoting long-term economic growth and creating jobs. Since MSMEs are essential to Nigeria's GDP, knowing how inclusive insurance might benefit small businesses has the potential to improve the country's economic climate as a whole. As a risk-mitigation tool, inclusive insurance helps MSMEs, who frequently struggle with resilience and stability in their finances.

The purpose of the study is to clarify how MSMEs might be protected against a range of risks, such as unanticipated events, market changes, and natural disasters, using inclusive insurance arrangements. Policymakers and MSME owners alike need to have these insights in order to create risk management plans that work. The study will contribute to the body of knowledge regarding the relationship between MSMEs, sustainable development, and inclusive insurance. Through analysis, the research will provide empirical information that academics, researchers, and students interested in business, economics, and development studies can use and also to provide useful insights, guide decision-making, and add to the larger conversation on economic resilience, sustainable development, and insurance in Nigeria.

Providing comprehensive social protection poses significant challenges for developing countries. Due to the predominance of informal sector employment in Nigeria, structural reforms often fail

to effectively extend coverage. In this sector, where individuals are self-employed or engaged in unofficial businesses, there is no formal employer contributing to healthcare, unemployment benefits, or pension schemes (Jones, Tafere, & Woldehanna, 2018). Consequently, the working poor find it unfeasible to bear the entire burden of social security programs. Moreover, governments in many developing nations struggle with insufficient funding to establish essential infrastructure like hospitals and sustain the ongoing costs associated with social protection initiatives (Yarumba & Kazungu, 2018). Since then, a number of parties have put various policies into place to stop the threat, one of which is insurance. Imagine losing all of your stuff in a natural disaster and without getting any assistance; it would take years to recover your losses and get back on track. As a result, insurance protects the insured and lessens losses in the event of a

disaster (Churchill, 2018). Over time, insurance has come to be seen as a novel field in finance. Nonetheless, the idea of inclusive insurance is embodied in the financial discipline of insurance. If people's means of subsistence are adequately safeguarded, this ought to stimulate investment among lower-class populations and boost rates of development and investment overall (Churchill, 2018). The main objective of the study is to examine how inclusive insurance helps in the development of Micro, small and medium enterprises in Nigeria. The specific objectives of the study includes to examine how inclusive insurance benefits MSMEs' growth; examine the difficulties and obstacles MSMEs encounter when trying to get and make use of inclusive insurance solutions, analyze how well insurance policies are working to support MSMEs' expansion in line with SDG 8; as well as analyze the relationship between MSMEs' adoption of inclusive insurance and their level of financial literacy.

As a result of the objectives above, the study seeks to provide answers to questions like; is there positive and statistically significant relationship between the adoption of inclusive insurance by MSMEs in Nigeria and their overall business growth? Does the effectiveness of the regulatory framework for inclusive insurance in Nigeria significantly influence the ability of MSMEs to access and benefit from these insurance offerings? Does the development of MSMEs facilitated by inclusive insurance contribute significantly to the achievement of the targets outlined in Sustainable Development Goal 8 (SDG 8) in Nigeria? Does Increase in awareness and education campaigns on the benefits of inclusive insurance for MSMEs lead to a higher adoption rate and improved risk mitigation practices among small businesses in Nigeria? The research hypotheses can hence be stated in the null form thus:

H₀₁: MSMEs' total business success in Nigeria is not positively correlated with their adoption of inclusive insurance, according to statistical analysis.

H₀₂: The development of MSMEs facilitated by inclusive insurance does not contribute significantly to the achievement of the targets outlined in Sustainable Development Goal 8 (SDG 8) in Nigeria.

H₀₃: The effectiveness of the regulatory framework for inclusive insurance in Nigeria does not significantly influence the ability of MSMEs to access and benefit from these insurance offerings.

H₀₄: Increased awareness and education campaigns on the benefits of inclusive insurance for MSMEs does not lead to a higher adoption rate and improved risk mitigation practices among small businesses in Nigeria.

In contrast to other risk management instruments, insurance imposes a periodic, systematic risk analysis on policy holders in addition to offering compensation upon a loss (Falkner & Hiebl, 2019). In the end, developing a risk-awareness will improve the sustainability of MSMEs, lessen loss and damage, and offer a financial safety net in times of need. For the reasons listed above, MSMEs require risk protection offered by insurance plans if they are to expand and maintain sustainability. Nigeria is an intriguing country because of its large MSMEs, high failure rate, and abundance of significant insurance providers. 9.9 million of Nigeria's 41.5 million MSMEs were either temporarily shuttered or shown symptoms of distress as of 2017 (NBS/SMEDAN, 2019).

Since the main focus of SDG 8 is general economic growth, it is important to understand the role of inclusive insurance on MSMEs as a panacea for SDG 8. This is the main objective of this study.

2.0 REVIEW OF LITERATURE

The Economics of Micro, Small and Medium Scale Enterprises (MSMEs) in Nigeria

Micro, Small, and Medium-Sized Enterprises (MSMEs) are defined in a variety of ways, but typically they are determined by factors like employment, assets, sales (turnover), or paid-up capital indices. Nigeria uses employment and asset indices as benchmarks for its dual basis definition, which is in line with international practice. However, in cases where the two criteria for classifying an enterprise conflict, the employment rubrics take precedence because they are more stable than asset-based assessments, which are subject to inflation (National Policy on MSMEs, 2015) The MSMEs are essential to the nation's economic development and have made a substantial contribution, much like in developed and other developing economies. According to NBS/SMEDAN (2019), it is the "bedrock and mainstay of the Nigerian economy."

The subsector's economics indicate that it represented more than 80% of the labour force in the nation in both the 2013 and 2017 survey rounds. Specifically, its contribution of 86.30% in 2017 was up 2.28% from the 2013 statistics. Moreover, it accounted for about half of the national GDP growth in the three survey streams. It also contributed significantly to national revenue and accounts for its 7.64% export contribution. From 17.2 million in 2010 to 41.5 million in 2017, there was a considerable rise in MSMEs. Employee contribution records decreased by 0.15% between 2013 and 2017, which could have been brought on by general economic contractions brought on by the nation's 2016–2017 national economic downturn.

A survey by the National Bureau of Statistics (NBS) and the Small and Medium firms Development Agency of Nigeria (SMEDAN) indicates that the number of micro, small, and medium-sized firms (MSMEs) in Nigeria has dropped from 41.5 million in prior to 2019 to 39.6

million. This indicates a 4.6% decline in MSMEs in Nigeria for the time frame. The data implies that between 2019 and 2021, around two million MSMEs closed.

One cannot exaggerate the deeds and contributions that MSMEs have made as "corporate citizens." As an illustration, they impact nearly every industry as labour employers; the retail and wholesale/retail sectors, for instance, make for 43.5% and 18.6% of the total, respectively. Suffice it to say that MSMEs in Nigeria contribute to food security, which is critical to the expansion of the nation's economy, given the subsector's level of contribution to the agricultural sector.

Nigeria has a high percentage of enterprise failure despite these efforts. The research states that 10,447 SMEs were closed in 2017 for various reasons. However, Ebitu and colleagues (2018) argued that the reason for their closure was the lack of a strategy to deal with possible risks and outcomes. Sub-events include the loss of assets, the shock to the company after disasters, and the illness or death of the owner. Even if there are many insurance specialists who can provide coverage for these risks and they can be covered, research indicate that there is still a sizable consumption gap.

Insurance

Insurance is a means of risk and finance pooling, transfer, and sharing across a group of organizations that are showing similar sorts of risks for the profit of those who suffer loss as a result of the risk, according to the Insurance Regulatory and Development Authority of India (2014) Consequently, insurance is

designed specifically to reduce the financial impact of unforeseen circumstances and generate financial security. In exchange for a monetary payout (premium), the insured shifts the cost of an imminent loss to another person under this risk-management scheme.

Insurance Density

This is used to describe the number of policyholders by country or state etc. It is typically stated as a premium to population ratio. In the same way that it is a significant factor in determining financial inclusion, it serves as an alternative indicator of insurance penetration. A higher insurance density is thought to indicate greater insurance penetration and financial inclusion since it indicates that the majority of people have at least one type of insurance coverage. According to a World Bank (2020) estimate, Nigeria's insurance density at the end of 2021 was \$6, placing it among the least developed nations in Africa.

Insurance Penetration Rate

This is the insurance premium amount in a nation represented as a percentage of GDP (gross domestic product). The ratio of insurance premium volume to GDP is used to indicate the insurance penetration rate. The more the insurance market is better developed the higher the penetration rate (Alhassan & Fiador, 2018). Stated differently, the insurance penetration rate represents the rate at which insurance premiums increase in relation to GDP growth.

Sustainable Development Goal 8 (SDG 8)

The Sustainable Development Goals (SDGs) of the United Nations (UN) are an international political agenda that focus on taking collective action to solve social, economic, and environmental problems that impede the world's progress towards sustainability, with the goal of achieving sustainability by 2030 (United Nations, 7). "Sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all" is the policy advocated by SDG 8. It restates how social and economic policies, as well as full employment and decent labour, are mutually complementary. Technology, structural change, and equitable and sustainable economic growth are a few of the important areas that need to be directed by a broad strategic agenda (High-Level Political Forum (HLPF), 2019). Given the tremendous effects of new technology clusters on all SDG sectors, especially the future of work and global growth, this may be more important than ever. High levels of inequality remain a significant barrier to the achievement of SDG 8. Progress towards the SDG 8 targets is necessary to achieve many of the other SDGs. To eradicate all forms of poverty and reduce inequality while making sure that no one is left behind, it is imperative to mobilise the policy priorities, tools, partnerships, and resources that SDG 8-related interventions can deliver. Furthermore, if SDG 8 development is made at the expense of social marginalization and environmental damage, it "means nothing."

Micro, Small, and Medium-sized businesses are essential to achieving SDG 8 and other SDGs. When the informal sector is taken into consideration, they make up over 90% of all jobs in developing nations, making up a significant portion of both developed and developing country private sector companies (HLPF, 2019). They usually provide the majority of the workers in vulnerable sectors with employment, and they are the primary source of income for the poorest demographic groups, particularly in rural areas. However, MSMEs still face obstacles like restricted financial access, insufficient knowledge and skills, particularly in the areas of business development, marketing, and strategic management, as well as weak institutional, political, and regulatory frameworks, which are particularly prevalent in developing nations (HLPF, 2019). According to the latest study of the Global Commission for the Future of Work, decent

work and full and productive employment are feasible provided the necessary investments are made (ILO 2019)

Theoretical review

Given that money is one of the key factors impacting SMEs in Nigeria, as was previously stated, the issues around financial inclusion and inclusive insurance need to be addressed. Furthermore, a stable operating environment and the availability of financing are prerequisites for the success of any profit-maximizing business. Therefore, the theoretical basis of the study is the Finance-Growth Theory. The concept of "finance-led growth," first introduced by Bagehot in 1873, stressed how financial intermediaries use the leading influence of supply and demand to create an environment that is conducive to economic growth and sustainability. The theory states that effective financial institutions only react to and impact the expansion of SMEs by creating value for small businesses and promoting the mobilisation of local savings, which tends to increase profitable investments in local businesses.

This is so that financial organisations can offer lending since higher savings translate into higher wealth for them. Furthermore, transaction costs and risks are reduced and exchanges are efficiently

managed as more entrepreneurs have access to financial and insurance goods, including financial institutions, credit, and a dependable payment system, in addition to financial counsellors and insurance. The paradigm continued by claiming that growing income inequality is a direct outcome of restricted access to insurance and financial products, which obstructs economic growth and well-being. That is, it is acknowledged that providing SMEs with access to a dependable, user-friendly, and fairly priced source of financial services is necessary to support their growth (Babajide, et al., 2019).

Empirical review

There are scholarly disputes over the role of financial systems in SMEs. According to Khan's (2018) empirical research, which used content analysis, financial intermediaries have little impact on the expansion and development of SMEs. This could lead to a weakening of lending standards due to bank repeated risk and inadequate regulation of microfinance firms. However, Terzi's (2015) findings utilizing survey data demonstrate that inclusive insurance and financial inclusion positively impacted SMEs' success.

Through the use of content analysis, Simiyu and Oloko (2019) discovered that mobile money transfer, or MMT, increases the number of micro businesses and improves their performance. According to Salman et al. (2019) on the effects of inclusive insurance on SME growth and economic development in Nigeria, inclusive insurance have a significant and positive impact on the growth and development of SMEs. Similarly, Entebang (2018) found that the expansion and development of SMEs is significantly and favorably impacted by inclusive insurance with dimensions. Additionally, using cross-sectional survey data, Ibor et al. (2019) found that inclusive insurance had a favourable and great effect on the operations and growth of MSMEs in Nigeria. Similarly, using a similar analytical methodology, Riwayati (2017) found that business players' inclusive insurance can act as a mediator between the factors that determine the success of SMEs in Indonesia.

Bello and Kamoru (2019) used the OLS method to study the impact of finance on SMEs' contribution to economic growth and discovered that, in Nigeria, financial inclusion and inclusive insurance can help SMEs by granting them access to loans. Using survey data, Hadiza and Philip (2019) examined the

impact of inclusive insurance and financial inclusion on SMEs and discovered that both inclusive insurance and financial inclusion had a major impact on small-scale business owners. Finally, using survey data, Dandibi et al. (2019) investigated the impact of literacy, inclusive insurance, and financial inclusion on the performance of agro-based SMEs in Yobe. The results showed that the performance of agro-based SMEs in Yobe State is significantly and appreciably impacted by financial inclusion and inclusive insurance.

Research Gap

While some studies (Crovini, 2019; Ferreira de AraújoLima, Crema & Verbano, 2019) examined the impact of risk management on MSMEs with little or no attention given to insurance risk

management, others (Swiss Re. 2019) focused primarily on micro insurance for low-income earners without emphasizing MSMEs despite their unique characteristics. While the studies that looked into the factors influencing MSMEs' insurance consumption contend that SMEs' low insurance uptake is mostly due to affordability (Proshare, 2021), none of them focused on examining the relationship between regulatory origin and trust and how it affects MSMEs' insurance consumption, particularly in the context of Nigeria's emerging market.

Remarkably, as of now, the nation is home to insurance practitioners who do not include intermediaries

3.0 RESEARCH METHODOLOGY

To determine how inclusive insurance and MSMEs' growth in Nigeria relate to each other, with an emphasis on reaching SDG 8, a combination of qualitative and quantitative research methods were used. The survey research design approach was used in this study, which comprises collecting data from participants through questionnaires. This approach is regarded to be beneficial for studies on non-observable events, such as opinions, attitudes, preferences, and dispositions, given the time and personal constraints in such population research (Soyombo, 2002). The study's target demographic included MSME owners and insurance service consumers who were guaranteed total anonymity in an effort to boost response rates, dependability, creativity, and lessen response bias.

Data Collection

A total of 400 questionnaires were sent to managers and owners of MSME's across the three local governments of Lagos State; 396 of these were returned, yielding a 99.33 percent response rate. Four months were allotted for the administration and retrieval of the questionnaire. Using the Cochran technique (1977), a sample size of 200 was determined. Local governments were then stratified, and the final list was obtained by random sampling procedure. Thirteen open-ended and seven closed-ended questions about the relevance and accessibility of inclusive insurance and financial inclusion to MSMEs were included in the research instrument. On a five-point Likert scale, where 5 represents strong agreement and 1 represents extreme disagreement, respondents had to indicate how much they agreed with the statement.

The MSME development indicators are the dependent variable, and the adoption of inclusive insurance, financial literacy, regulatory efficacy, and awareness levels are the independent factors. Measurements were taken using Likert scales, numerical scales, or categorical variables, where applicable. Both inferential statistics and descriptive statistics, which highlight and characterize the key aspects of the data,

were used to analyze the collected data. Simple percentages, the arithmetic mean, and the standard deviation were employed as descriptive statistics, and Pearson Chi-square tests were used as inferential techniques with IBM SPSS Statistics 21.0 software.

Participants gave their informed consent, assuring privacy, confidentiality, and compliance with common ethical norms and rules. There may be biases in survey replies and limitations on sample size and generalizability when using primary data.

Analysis of the findings

Presented are the results of the data analysis relating to the postulated hypotheses, based on the responses of participants.

SECTION A: SOCIO-DEMOGRAPHICS OF RESPONDENTS GENDER

Table 1: Gender Distribution of Respondents

GENDER	FREQUENCY	PERCENTAGE (%)
MALE	122	61
FEMALE	78	39
TOTAL	200	100

Of the 400 responses, Table 1 reveals that 245 (or 61.25%) are men and 155 (or 38.75%) are women. As seen in the table, all information was successfully collected and there were no gaps.

Table 2: Ownership of Small Businesses by Respondents

Participants in the study were asked if they owned a micro, small, or medium-sized business to ensure that the people in it truly owned businesses, which is necessary for the applicability of the findings. Their answers were examined, and the results are displayed in Table 2.

Do you run a business?	FREQUENCY	PERCENTAGE (%)
YES	147	73.5
NO	53	26.5
TOTAL	200	100

Table 2 shows that 53 (26.5%) of the respondents did not currently own a business, while 147 (73.5%) of the respondents operate a small business. In a similar vein, the Pearson Chi-Square results of the independence chi-square test reveal a value of $X^2 = 0.288$, suggesting a significant correlation ($p < 0.05$) between gender and the operation of small enterprises in the studied population.

Table 3: Ownership of Insurance Accounts by Respondents

Table 3 displays the results of our analysis of the respondents to determine the number of those who have an insurance account.

Do you have an insurance account?	FREQUENCY	PERCENTAGE (%)
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YES	55	27.5
NO	145	72.5
TOTAL	200	100

Of the respondents, Table 3 shows that 55 (27.5%) have an insurance account, whereas 72.5% either don't have an insurance account or didn't respond. This suggests that a sizable portion of the participants lack an insurance account.

Table 4: Influences on Respondents Attitude towards Insurance

Table 4 displays results for the variables influencing respondents' use of insurance services.

Why do you not have an insurance account?	FREQUENCY	PERCENTAGE (%)
DISTANCE OF BUSINESS TO INSURANCE COMPANIES/HOUSES	50	34.48
LACK OF AWARENESS/EDUCATON	33	22.76
LACK OF EFFECTIVE REGULATORY FRAMEWORK	47	32.41
OTHERS	15	10.34
TOTAL	145	100

Table 4's results indicate that, of the 145 participants without an insurance account, 34.48% were deterred by their distance from insurance companies, 22.76% by their lack of knowledge and education about the insurance industry, and 32.41% by the absence of an efficient regulatory framework. Other constraints, on the other hand, only account for 10.34% of the total.

SECTION B

Correlation between the expansion of micro, small, and medium-sized enterprises in Nigeria and inclusive insurance.

When participants were questioned about whether the effective implementation of inclusive insurance policies and financial inclusion will encourage the growth of MSME's, their opinions were compiled and examined; the results of the Chi-square analysis are shown in Table 5.

Table 5: A successful rollout of inclusive insurance would encourage MSME expansion.

Successful roll out of inclusive insurance would encourage the expansion of MSMEs	FREQUENCY	PERCENTAGE (%)
SA	106	53
A	60	30
N	4	2
D	21	10.5
SD	9	4.5
TOTAL	200	100

Table 5 displays that a total of 166 or 83 per cent of the participants agree that inclusive insurance, if successfully rolled out, would expand MSMEs, 30 respondents or 15 per cent disagreed while 2 percent were undecided. According to the results of the independence chi-square test (the Pearson Chi-Square), there is a significant correlation between the expansion of MSMEs and inclusive insurance, with a value of $X^2 = 1.274$, $p < 0.05$.

The Operations of SMEs and Inclusive Insurance

The purpose of the study was to find out what participants thought about how inclusive insurance affected the way their firms operated. Tables 6a and 6b present the analysis and results of their responses.

Table 6a

My business's operations will benefit from inclusive insurance.	FREQUENCY	PERCENTAGE (%)
SA	108	54
A	50	25
N	13	6.5
D	19	9.5
SD	10	5
TOTAL	200	100

Table 6b

Inclusive insurance is impacting on MSMEs operation positively and SDG 8	FREQUENCY	PERCENTAGE (%)
SA	60	30
A	52	26
N	44	22
D	24	12
SD	20	10

TOTAL	200	100
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According to Table 6a, 158 respondents, or 79% of the sample, concur that inclusive insurance would improve their companies' operations. In contrast, 29 respondents, or 14.5%, disagreed, and 6.5 percent were unsure. The Pearson Chi-Square, which measures independent chi-square test results, shows a score of $X^2 = 3.187$, $p < 0.05$, suggesting a substantial correlation between inclusive insurance and MSMEs' operations as well as SDG 8.

Access to Insurance Services for Micro, Small, and Medium-Sized Enterprises and Raising Awareness and Education Campaigns.

We assessed the participants' answers when asked if more public awareness and education initiatives had no effect on small- and medium-sized businesses' ability to obtain insurance services.

Table 7: Access to more insurance services has been promoted by increased awareness and education campaigns.

Increased awareness and education campaigns lead to higher adoption rate of insurance services	FREQUENCY	PERCENTAGE (%)
SA	80	40
A	62	31
N	24	12
D	24	12
SD	10	5
TOTAL	200	100

One hundred and forty-two participants, or 71% of the sample, agreed that higher acceptance rates of insurance services are a result of greater awareness and education initiatives. Of those surveyed, thirty-four (17%) disagreed, while twenty-four (12%) did not respond. According to the accompanying Pearson Chi-Square analysis, there is a strong correlation between inclusive insurance and greater awareness and education campaigns ($X^2 = 5.718$, $p < 0.05$). This supports the respondents' belief that campaigns for education and greater awareness will advance inclusive insurance.

The efficiency of the regulatory framework and the availability of insurance services for micro, small, and medium-sized enterprises

The effectiveness of the regulatory framework's impact on micro, small, and medium-sized enterprises' access to insurance services was assessed based on the replies provided by the participants.

Table 8: Access to more insurance services has been improved by effectiveness of regulatory framework.

Effectiveness of regulatory framework lead to improved access of insurance services	FREQUENCY	PERCENTAGE (%)
SA	82	41
A	46	23
N	40	20
D	30	15
SD	2	1
TOTAL	200	100

Table 8 shows that, overall, 128 respondents, or 64% of the sample, concur that an effective regulatory framework improves access to insurance services, whereas 32 respondents, or 16% of the sample, disagreed, and 20% were unsure. The Pearson Chi-Square, which measures independence, has a value of $X^2 = 5.475$, $p = 0.0182$, suggesting a substantial correlation between the accessibility of insurance services and the efficacy of the insurance regulatory framework.

Test of Hypotheses

H₀₁: There is no positive and statistically significant relationship between the adoption of inclusive insurance by MSMEs in Nigeria and their overall business growth.

Decision: The adoption of inclusive insurance by MSMEs in Nigeria is positively correlated with overall business growth, as indicated by statistical significance ($p < .05$).

H₀₂: The development of MSMEs facilitated by inclusive insurance does not contribute significantly to the achievement of the targets outlined in Sustainable Development Goal 8 (SDG 8) in Nigeria.

Decision: The development of MSMEs facilitated by inclusive insurance contributes significantly to the achievement of the targets outlined in Sustainable Development Goal 8 (SDG 8) in Nigeria.

H₀₃: The effectiveness of the regulatory framework for inclusive insurance in Nigeria does not significantly influence the ability of MSMEs to access and benefit from these insurance offerings.

Decision: The effectiveness of the regulatory framework for inclusive insurance in Nigeria significantly influences the ability of MSMEs to access and benefit from these insurance offerings ($p < .05$).

H₀₄: Increased awareness and education campaigns on the benefits of inclusive insurance for MSMEs does not lead to a higher adoption rate and improved risk mitigation practices among small businesses in Nigeria.

Decision: Increased awareness and education campaigns on the benefits of inclusive insurance for MSMEs lead to a higher adoption rate and improved risk mitigation practices among small businesses in Nigeria $p < .05$).

1.0 DISCUSSION OF RESULTS AND FINDINGS

One of the most important factors in improving the financial stability of MSMEs in Nigeria is inclusive insurance. It acts as a safety net against unanticipated risks, allowing companies to bounce back from losses and support broader economic stability. The outcomes validate the impact of inclusive insurance on MSMEs' performance and align with the research of previous researchers (Falkner and Hiebl, 2019), who recognised inclusive insurance as a potential remedy for fostering the expansion and advancement of Micro, Small, and Medium-Sized Enterprises. The results also support those of (Chatterjee & Wehrhahn, 2019), who found that having access to insurance services—also known as business development services—

may be essential to helping MSMEs realise their full potential in terms of generating employment, reducing poverty, and ultimately promoting economic growth, all of which are objectives of Sustainable Development Goal 8.

Furthermore, the analysis of the participants' responses shows that they are correct to realise that "a number of non-financial factors, such as inadequate technical skills, poor market access, lack of information, and unreliable infrastructure, constrict small businesses." These factors can be addressed by inclusive insurance, which will increase productivity, profitability, and market access. In order to achieve SDG 8, which is to promote sustained, inclusive, and sustainable economic growth, MSMEs' expansion and sustainability are essential. Due to its ability to lower financial vulnerabilities and promote entrepreneurship, inclusive insurance functions as a catalyst. Notwithstanding the possible advantages, obstacles including low pricing, accessibility, and knowledge prevent MSMEs in Nigeria from widely implementing inclusive insurance. Unlocking the full potential requires addressing these issues.

As a vehicle for MSME growth, inclusive insurance must be actively promoted by the government and other stakeholders. Encouraging policies and educational initiatives can help create an atmosphere that is conducive to insurance participation.

Adopting inclusive insurance is consistent with SDG 8 as well as other goals, including reducing poverty (SDG 1) and advancing health and wellbeing (SDG 3). It illustrates how the objectives of sustainable development are interrelated. The expansion of MSMEs, which frequently consist of low-income individuals, with the help of comprehensive insurance, may have a long-term effect on reducing poverty.

A prosperous and long lasting business can empower people economically, which raises living standards.

1.0 CONCLUSION AND RECOMMENDATION

Understanding the changing relationships between MSME development and inclusive insurance requires ongoing research and evaluation. This guarantees that initiatives and policies continue to be efficient and adaptable to the shifting needs of enterprises. In summary, encouraging inclusive insurance among Nigerian MSMEs has a lot of potential as a tactic for reaching Sustainable Development Goal 8. To overcome current obstacles and foster an atmosphere that supports the expansion of inclusive insurance within the MSME sector, however, coordinated actions are needed. Additionally, the study offers policymakers evidence-based suggestions to improve inclusive insurance programs, provide MSME owners with information about the possible advantages and difficulties of adopting inclusive insurance and also, contribute to the larger conversation about attaining SDG 8. In line with SDG 8 goals, the study intends to advance knowledge by shedding light on the potential of inclusive insurance as a development accelerator for MSME. Policymakers, practitioners, and researchers who are interested in sustainable economic growth must comprehend the dynamics of inclusive insurance and how it affects MSMEs in Nigeria. Stakeholders in the insurance sector, MSME owners, legislators, and pertinent government organizations interested in economic growth will all be part in the study. The study contributes to the body of knowledge regarding the relationship between MSMEs, sustainable development, and inclusive insurance. Through analysis, the research provides empirical information that academics, researchers, and students interested in business, economics, and development studies can use and also to provide useful insights, guide decision-making, and add to the larger conversation on economic resilience, sustainable development, and insurance in Nigeria.

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