E-ISSN: 1115 - 8530 P-ISSN: 3026-8958
MPRI-JFRBD | INTERNATIONAL JOURNAL OF FINANCIAL RES. AND BUSINESS DEVELOPMENT
VOL. 06 NO. 7 – OCTOBER, 2024

THE IMPACT OF CREDIT RISK MANAGEMENT ON PERFORMANCE OF MICROFINANCE BANKS IN AKURE, ONDO STATE

***IDOWU, MOBOLAJI AJIKE (PhD); **ALONGE, OLUWATOYIN FRANCIS; & **ADEBAYO, OLUWASEUN AKOREDE**

*Accounting Department, Joseph Ayo Babalola University.
**Insurance and Acturarial Science Department, Joseph Ayo Babalola University.
Corresponding Author: maakinapelu@jabu.edu.ng
DOI Unique ID: 10.70382/mejfrbd.v6i7.004

Abstract

The study examined the impact of credit risk management on performance of microfinance banks in Akure, Ondo State. The research design used in the study was survey research design where questionnaire was designed and administered to the staff of Moniepoint Microfinance Bank and LAPO microfinance bank in Akure, Ondo State, Nigeria. The sample size for the study was fifty. The study used chi-square as the statistical tool to analysis the hypotheses formulated. The result of the study showed that credit risk management impacts performance of microfinance banks in Akure, Ondo State. Specifically, credit risk appraisal, credit risk monitoring and credit risk mitigation impacts performance of microfinance banks in Akure, Ondo State. Consequently, it is recommended that an effective monitoring system should be implemented in microfinance institutions (MFIs) so that information regarding customers, credit risk exposures, collateral, and borrowers, is up to date.

Keywords: Credit Risk Management, Credit Risk Appraisal, Credit Risk Monitoring, Credit Risk Mitigation

Introduction

In recent years, credit risk management has grown in importance due to economic uncertainty and increased competition in financial services sector (Agbana, Bukoye & Arinze-Emefo, 2023). Risk is inherent in any business enterprise, and good risk management is an essential aspect of running a successful business (Maverick, 2021). For financial institutions that grant credit facility to customers close attention needs to be paid to the management of credit risk. Financial organizations must use excellent credit risk management technique to avoid losses and maintain stakeholder confidence.

EDITOR-IN-CHIEF
Prof. R. Rena [South Africa]

According to Bhatt et al. (2023), credit risk management is defined as the practice of assessing and reducing the risk of loss brought on by borrowers' failure to pay their obligations. Credit risk management has been an essential part of the loan process in banking. Credit risk is in fact regarded as the most important intermediating role of banks (Choudhary, 2021). Banks use customers deposit to generate credit for their borrowers, which is a revenue generating activity for them. Banks have substantial default risk from this credit creation process, which can lead to financial problems, large non-performing loans, and insolvency (Maverick, 2021; Sanusi, 2012). Therefore, credit risk management is a discipline every partaker in the industry should embrace.

The success of every bank depends on how efficient they are in managing their risk assets in relation to other type of risks such as operational risk, political risk, market risk and liquidity risk (Adeusi, Akeke, Adebisi, & Oladunjoye, 2014). Credit risk is vital to financial institutions' stability and profitability, making it a crucial aspect of their operations (Telg, Dubinova & Lucas, 2023). Effective credit risk management requires measuring, monitoring, identifying, and controlling of credit risk. Credit scoring, lending limitations, collateral, loan covenants, and loan portfolio diversification help financial institutions control credit risk (Samorodov et al., 2019).

As a result, managing credit risk is essential to the financial success of microfinance institutions (MFIs). MFIs offer financial aid to people who don't have access to traditional banking services. These individuals might be less financially literate and possess fewer assets, which raises the possibility that they will default on their loans. Thus, proper credit risk management is critical for MFIs' survival and clients' financial stability (Bouteille & Coogan-Pushner, 2021). A number of Nigerian banks have previously failed as a result of poor risk portfolio management which affects performance leading to reduced profitability (Uwalomwa, Uwuigbe & Oyewo, 2015). It is essential for existing banks to manage their risk portfolios to avoid reoccurrence of such, implementing an efficient credit risk management strategy is a good way of doing this. Establishing suitable loan terms and conditions, keeping track of loan repayment, and determining a client's creditworthiness are all components of credit risk management strategy. MFIs use a variety of strategies to control credit risk, including credit ratings, collateral restrictions, and group lending (Agbana, Bukoye & Arinze-Emefo, 2023).

While maintaining the stability of their loan portfolios, MFIs can lower default rates through efficient credit risk management. Financial performance can be improved by reducing the amount of money the MFI needs set aside for loan loss provisions. Additionally, it might improve the institution's reputation, which would make it simpler for it to attract new clients and investors. However, inadequate credit risk management may make it more difficult for an MFI to make earnings (Bhatt et al., 2023). High default rates could cause the MFI to suffer large losses, which might restrict its capacity to fulfill obligations and expand its operations. MFIs can lower default rates, keep loan portfolios steady, and enhance their financial performance by managing credit risk prudently. However, MFIs can suffer significant harm from inadequate credit risk management, making it more difficult for them to meet their financial obligations, grow their clientele, and attract new investors. For any microfinance bank to survive and maintain sustainable development, it must as a matter of necessity have strong credit risk administration. This is very fundamental to making microfinance banks stable and sustainable in Nigeria (Anuonye, Ngwama, Nkwoh, & Uchehara, 2020).

EDITOR-IN-CHIEF
Prof. R. Rena [South Africa]

Despite growing interest in microfinance, there is still a dearth of research on the impact of credit risk management on MFIs' financial performance. Few studies have examined the relationship between credit risk management and financial performance in MFIs, despite the fact that previous research has examined this relationship in several industries. Also, most of the studies carried out on the impact of credit risk management on financial performance used *ex-post facto* research design this study intends to carry out survey research using questionnaire distributed to microfinance institutions specifically in Akure, Ondo State. Another gap the study fills is using new variables to measure credit risk management; credit risk appraisal; credit risk monitoring and credit risk mitigation as previous study used non-performing loans and loans and advances. Therefore, this study examines the impact of credit risk management on the financial performance of MFIs in Nigeria.

Objectives of the study

The main objective of the study is to investigate the impact of credit risk management on performance of microfinance banks in Akure, Ondo State.

The specific objectives are

i. To examine the impact of credit risk appraisal on performance of microfinance banks in Akure, Ondo State.
ii. To investigate the relationship between credit risk monitoring and performance of microfinance banks in Akure, Ondo State.
iii. To evaluate the effect of credit risk mitigation on performance of microfinance banks in Akure, Ondo State.

Literature Review

Credit risk management

Credit risk management, refers to the strategies, procedures, and controls that a company uses to ensure efficient client payment collection and to lower the risk of non-payment (Ahelegbey et al., 2019). Credit risk management gives you critical information and guidance on credit portfolio, risk measurement, loan pricing and structuring, and portfolio diversification. By limiting credit risk exposure within a reasonable range, the ultimate objective of any credit risk management strategy is to optimize banks' risk-adjusted rate of return (Alphonsus, 2019).Credit risk management includes credit risk identification, credit risk appraisal, credit risk monitoring and credit risk mitigation.

Credit risk management, according to Nikolaidov and Vogiazas (2014), is an instrument for managing and guiding risks that an organization faces by combining important risk management strategies and procedures with the organization's goals. Frank, Simon and Josephine (2014) believe it's important to remember that risk management techniques aren't designed with the sole intention of eliminating the risk, but they are aimed at controlling the opportunities and hazards that may result in risk; in other words, mitigating the risk factors. When borrowers default in the repayment of loans, the consequence is that the cost of collection of loans may increase and the lenders stand the chance of losing their principals and interests.

EDITOR-IN-CHIEF
Prof. R. Rena [South Africa]

Microfinance Institutions (MFIs) are required to manage their credit risk because it directly affects their ability to make money. MFIs in Nigeria have several obstacles when attempting to manage credit risk, such as restricted access to credit data, insufficient risk management tools, and scant legal protections (Gachigo, Ondigo, Aduda, & Onsomu, 2023).

Credit risk appraisal

Credit risk appraisal is a process of evaluating a borrower's ability to repay a loan or credit. It involves analyzing the borrower's financial history, credit score, income, collateral, and the loan's conditions (Lip, n.d.). Credit risk appraisal helps lenders to assess the degree of risk and the interest rate associated with the credit facility (Bada, 2020). In order to fulfill meet the goals of the lenders, credit risk analysis seeks to assume an appropriate degree of risk. Profitability, company expansion, and qualitative factors can all be objectives. Management creates policies that help their company reach its objectives. Credit risk analysis involves weighing the costs and benefits of taking on credit risk; by balancing the costs and benefits of granting credit, lenders measure, analyze and manage risks their business is willing to accept (Lip, n.d.). The creditworthiness of the borrower, derived from the credit analysis process, is not the only risk lenders face. When granting credit, lenders also consider potential losses from non-performance, such as missed payments and potential bad debt. Lenders balance the expenses associated with these risks against the expected rewards.

Credit risk monitoring

Credit risk monitoring is the process of continuously evaluating and monitoring the creditworthiness of borrowers. Lenders and other counterparties exposed to credit risk use it to evaluate how the borrower's credit risk profile is evolving over time. Credit risk monitoring helps financial MFIs make informed lending decisions and take appropriate action to manage potential losses (EBA, 2020). Credit risk monitoring is the set of procedures that lenders or competing parties that are exposed to credit risk use to evaluate how the borrower's (obligor's) credit risk profile is changing over time.

MFIs should have a robust and effective monitoring framework, supported by an adequate data infrastructure, to ensure that information regarding their credit risk exposures, borrowers and collateral is relevant and up to date, and that the external reporting is reliable, complete, up to date and timely. The monitoring framework should enable MFIs to manage and monitor their credit risk exposures in line with their Credit Risk Appetite, strategy, policies and procedures at portfolio and, when relevant and material, individual exposure levels.

Credit Risk Mitigation

Credit Risk Mitigation (CRM) refers to the attempt by lenders, through the application of various safeguards or processes, to minimize the risk of losing all of their original investment (loans or debt) due to borrowers (companies or individuals) defaulting on their interest and principal payments (Mehta, 2022). For banks and other types of lending institutions, having robust CRM is pivotal to avoiding a surge in defaults and non-performing assets (NPA), which can very adversely impact their financial performance or even result in insolvency.

EDITOR-IN-CHIEF
Prof. R. Rena [South Africa]

There are certain credit risk mitigation strategies, i.e. risk control strategies that banks and other lending institutions deploy to mitigate the probability that borrowers will default on their loans, and to reduce the number of non-performing assets. An outline of each strategy is given below

5 Cs of credit: these provide lenders a framework for credit risk mitigation and help in identifying the inherent risk in a loan. The 5 Cs of credit are character, capacity, capital, collateral, and conditions (purpose of the loan, cost, and tenure).

Empirical Review

Agbana, Bukoye, and Arinze-Emefo (2023) examined the impact of credit risk management on the financial performance of microfinance institutions in Nigeria: A Qualitative Review. Utilizing a qualitative review methodology, the review found that proactive risk assessment, thorough credit appraisal, proper loan monitoring, and prompt loan recovery procedures are essential components of efficient credit risk management, which has a substantial impact on MFI performance. The study provides useful data that practitioners, regulators, and legislators may use to foster an environment that encourages effective credit risk management, improves financial performance, and fosters Nigeria's long-term development.

Anwer et. al. (2023) examined the influence of credit risk management on the financial performance of Nigerian listed microfinance banks. Data were extracted from the financial reports of the two microfinance banks listed on the Nigerian Stock Exchange from 2012 to 2017. Multiple regression and Pearson correlation were used to statistically analyze the gathered data. The results demonstrated that management of credit risk has a big impact on Nigerian microfinance institutions' ability to make money.

The potential link between credit risk management strategies and the financial success of microfinance firms in Kampala, Uganda, was examined by Sathyamoorthi, Mapharing, Mphoeng, and Dzimiri (2020). Questionnaires were distributed to a sample of 60 employees from the finance and credit departments of three licensed microfinance institutions in order to ascertain whether there is a relationship between credit risk identification, credit risk appraisal, credit risk monitoring, and credit risk mitigation and financial performance of microfinance institutions in Kampala, Uganda. This was investigated using the Pearson linear correlation coefficient. The results show that credit risk identification and credit risk assessment have a high positive link with the financial performance of MFIs, but that relationship is only marginally significant for credit risk monitoring and credit risk mitigation.

Afolabi, Olabisi, Kajola, and Asaolu (2021) evaluated the effect of credit risk on the performance of Nigerian banks. The study used data from 2009 to 2018 obtained from annual reports of the sampled banks. The study discovered that a percentage change in equity increase profitability (ROA) by about 19%. Additionally, it was discovered that while a percentage change in non-performing loans boosts profitability by 7%, a percentage change in the loan to deposit ratio decreases profitability by 3%. The study therefore recommends that banks in Nigeria should monitor their loans and advances and avoid mismatch between its assets and liabilities to safeguard their banks from poor CAMEL rating and bank failure.

Anuonye, Ngwama, Uchehara and Nkwoh (2020) investigated credit risk evaluation and performance of Microfinance Banks in Ogun State. The study adopted survey research design and

EDITOR-IN-CHIEF
Prof. R. Rena [South Africa]

data were collected through a well-structured questionnaire. Purposive sampling technique was adopted, and a sample size of two hundred respondents was drawn from the selected banks in Ota. Data were analysed using linear regression. From the results above, the study revealed that there is a significant relationship between credit risk evaluation and loan performance. The study concludes that proper credit evaluation in microfinance banks is necessary. Therefore, the study recommends that the board and management of microfinance banks in Nigeria should ensure that the implementation of the appraisal process is strictly adhered to without compromise when evaluating risks inherent in loans to their clients.

Mafumbo (2020) analyses the effect of credit management on the financial performance of commercial banks in Uganda. The study used universal sampling techniques, where all banks licensed and operational in Uganda were selected, multiple regression was used. The findings indicated a significant relationship between credit management and the financial performance of commercial banks in Uganda. It was found that both the CAR and the NPL/TL are significant though have an impact at different significance i.e. capital adequacy and Credit Risk control have a greater impact compared to Credit policy (LR) on the financial performance of commercial banks in Uganda

Theoretical framework

The underpinning theory for this study is the Enterprise Risk Management Theory (ERM). ERM is a framework that focuses on adopting a consistent and systematic approach to managing holistic risks threatening an organization. According to the Committee of Sponsoring Organizations of the Tread way Commission (COSO, 2004), ERM is a process, effected by the company's board of directors, management and other affected staff used in strategy setting across the enterprise. Its purpose is to detect any occurrences that could impact the entity and ensure that risks are managed within the firm's risk appetite and to provide reasonable assurance regarding the achievement of entity's objective. ERM is a process of managing an organization's exposure to uncertainty with particular emphasis on identifying the events that could potentially prevent the firm from achieving its desired objective.

Methodology

The study adopted survey research design and data were collected through a well-structured questionnaire. The population comprises of staff of Moniepoint Microfinance Bank and LAPO microfinance bank in Akure, Ondo State, Nigeria. These MFIs were selected based on the fact that they provide easy access for loan collection by their clients and it's the two MFIs most Small and Medium Scale businesses in Akure use. A sample size of fifty respondents was drawn from the different branches of Moniepoint Microfinance Bank and LAPO microfinance bank in Akure, Ondo state. Data were analysed through the aid of statistical package for social sciences (SPSS), and chi-square was used as a statistical tool for analysis.

Results and Discussion

Descriptive statistic

The summary of the statistics for the demographic variables used in the study is presented in Table 1.

EDITOR-IN-CHIEF
Prof. R. Rena [South Africa]

Table 1 Demographic variables

Demographic variables	Frequency	% Percentage
Gender		
Male	15	35
Female	28	65
Total	**43**	**100.0**
Age		
20-30yrs	10	23
31-40 years	20	47
41 - 50years	10	23
above 51 years	3	7
Total	**43**	**100.0**
Marital status		
Single	13	30
Married	22	51
Divorced	8	19
Total	**43**	**100.0**
Educational Qualification		
Degree/HND	25	58
Masters	13	30
Professional	5	12
Total	**43**	**100.0**
Years of Experience		
0-5years	10	23
5-10years	20	47
15-20 years	10	23
Above 20years	3	7
Total	**43**	**100.0**

Source: Author's Fieldwork, 2024

Table 1 shows the distribution of respondents' demographic variables. The table shows that most of the respondents are female with a percentage of 65, while the remaining is male with a percentage of 35. This means most of the respondents are female.

Also, the distribution of respondents by age indicates that 47% of the respondents, who filled the questionnaire, are between the ages of 31-40 years, 23% are 20-30 years, 23% of the respondents are between the ages of 41 – 50 years, and 7% of the respondents are above 51 years. This means most of the respondents are below 41 years of age.

The distribution of respondents according to Marital status shows that 51% of the respondents are Married, 30% are Single while 19% are Divorced.

The table revealed that 58% of the respondents are Degree/HND holders, 30% are Masters holders while just 12% have Professional. It shows that all of the staff of the selected MFIs are graduates.

EDITOR-IN-CHIEF
Prof. R. Rena [South Africa]

Also, the distribution of respondents by Years of Experience shows that a larger percentage of the respondents have been working for more than 5 years. 47% have been in service from between 5-10years, 23% have been in service for less than 5years, 23% have been in service from between 15-20 years, while the remaining 7% have been in service Above 20years.

Test of Hypotheses

Table2 Test Statistics

Credit risk appraisal impacts performance of microfinance banks in Akure, Ondo State.	
Chi-Square	56.250[a]
Df	3
Asymp. Sig.	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 16.0.

From the Table 2, calculated chi square (x^2) is 56.250 which is greater than tabulated chi square (x^2) of 7.815 at 0.05 % level of significance, therefore the Null hypothesis (H01), Credit risk appraisal has no impact on performance of microfinance banks in Akure, Ondo State, is rejected. This means that the finding reveals that credit risk appraisal impacts performance of microfinance banks in Akure, Ondo State.

Table 3 Test Statistics

There is relationship between credit risk monitoring and performance of microfinance banks in Akure, Ondo State.	
Chi-Square	51.250[a]
Df	3
Asymp. Sig.	.154

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 16.0.

From the figures from Table 3, calculated chi square (x2) is 51.250 which is greater than tabulated chi square (x2) of 7.815 at 0.05 % level of significance, therefore the Null hypothesis (H02), there is no relationship between credit risk monitoring and performance of microfinance banks in Akure, Ondo State, is rejected. This means that the finding reveals that there is relationship between credit risk monitoring and performance of microfinance banks in Akure, Ondo State.

Table 4 Test Statistics

Credit risk mitigation has effect on performance of microfinance banks in Akure, Ondo State	
Chi-Square	19.125[a]
Df	3
Asymp. Sig.	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 16.0.

EDITOR-IN-CHIEF
Prof. R. Rena [South Africa]

From the Table 4, calculated chi square (x^2) is 19.125 which is greater than tabulated chi square (x^2) of 7.815 at 0.05 % level of significance, therefore the Null hypothesis (H03), Credit risk mitigation have no effect on performance of microfinance banks in Akure, Ondo State, is rejected. This means that the finding reveals thatcredit risk mitigation has effect on performance of microfinance banks in Akure, Ondo State.

Conclusion and Recommendation

The study investigated the impact of credit risk management on performance of microfinance banks in Akure, Ondo State. The survey research design was used where questionnaire was designed and administered to staff of two purposively selected MFIs in Akure, Ondo state. The results revealed that credit risk appraisal impacts performance of microfinance banks in Akure, Ondo State. Also, the study showed that there is relationship between credit risk monitoring and performance of microfinance banks in Akure, Ondo State. And lastly, the study revealed that credit risk mitigation has effect on performance of microfinance banks in Akure, Ondo State.

The result of the study showed that credit risk management impacts performance of microfinance banks in Akure, Ondo State. This further implies that when MFIs pays attention to their credit risk management this improves performance. MFIs exposure to credit risk will be minimal, the creditworthiness of customers will be known, the costs and benefits of taking on credit risk will be easily ascertained. MFIs will have the ability to make accurate lending choices and take appropriate action to manage potential losses.

Consequently, it is recommended that an effective monitoring system should be implemented in MFIs so that information regarding customers, credit risk exposures, collateral and borrowers is up to date. Policies should be put in place by government and relevant regulatory authorities to encourage successful credit risk management techniques. The Board and Management of MFIs in Nigeria should ensure that the implementation of the appraisal processes is strictly adhered to without any compromise.

REFERENCES

Adegbie, F. & Adebanjo, S. F. (2020). Credit risk management and financial stability in quoted deposit money banks in Nigeria. *European Journal of Accounting, Auditing and Finance Research (EJAAFR), 8*(8), 1-20.

Adeusi, S. O., Akeke, N. I., Adebisi, O. S. & Oladunjoye, O. (2014). Risk Management and Financial Performance of Banks in Nigeria. European Journal of Business and Management, *6*(31), 336-342

Adeusi, S. O. & Dada, O. (2017). Effect of financial sector deregulation on economic growth of Nigeria. *The International Journal of Academic Research in Business and Social Sciences*, 1115-1132.

Afolabi, A., Olabisi, J., Kajola, S. O., & Asaolu, T. O. (2021). Does leverage affect the financial performance of Nigerian firms? *Journal of Economics & Management, 37*(3), 5-22. http://doi. org/10.22367/jem.2019.37.01

Agbana, J., Bukoye, J. A., & Arinze-Emefo, I. C. (2023). Impact of Credit Risk Management on the Financial Performance of Microfinance Institutions in Nigeria: A Qualitative Review. Open Journal of Business and Management, 11, 2051-2066. https://doi.org/10.4236/ojbm.2023.115113

Ahelegbey, D. F., Giudici, P., & Hadji-Misheva, B. (2019). Factorial Network Models to Improve P2P Credit Risk Management. *Frontiers in Artificial Intelligence,* 2, Article No. 8. https://doi.org/10.3389/frai.2019.00008

Alphonsus, A. C. (2019).Critical Analysis of Credit Management in Nigeria Banks. International *Journal of Research and Innovation in Social Science (IJRISS), III* (II), 171-179

Anuonye, N.B., Ngwama, J.C., Nkwoh, F.M., & Uchehara, C.C. (2020). Credit risk evaluation and performance of microfinance banks in Ogun State. *Accounting and Taxation Review, 4*(3), 29-40.

EDITOR-IN-CHIEF
Prof. R. Rena [South Africa]

Anwer, S. A., Hamad, H. A., Ibrahim, H. K., Gardi, B., Hamza, P. A., Othman, R. N., Qader, K. S., & Hamad, K. Q. (2023). The Role of Credit Risk Management in Performance of Commercial Banks: *Analysis of Commercial banks' Performance in Erbil. Qalaai Zanist Journal, 8*, 1172-1193.

Bada, A. (2020, February 27). Credit Risk and How to Assess It? What is Credit Risk and How to Assess It? | Coinspeaker

Bhatt, T. K., Ahmed, N., Iqbal, M. B., & Ullah, M. (2023). Examining the Determinants of Credit Risk Management and Their Relationship with the Performance of Commercial Banks in Nepal. *Journal of Risk and Financial Management, 16*, (235) https://doi.org/10.3390/jrfm16040235

Bouteille, S., & Coogan-Pushner, D. (2021). *The Handbook of Credit Risk Management: Originating, Assessing, and Managing Credit Exposures.* John Wiley & Sons.

Committee of Sponsoring Organizations of the Treadway Commission (COSO, 2004). https://www.google.com/search?client=firefox -b-d&q=COSO+%282004%2

Choudhary, R. (2021). Types of risks in banking sector: A detailed analysis. https://bank.caknowledge.com/types-of-risks

EBA (2020, June). Credit Risk Monitoring- Open Risk Manual. Credit Risk Monitoring - Open Risk Manual

Eyigege, A. I. (2013).Influence of firm size on financial performance of deposit money banks quoted on the Nigeria stock exchange. *International Journal of Economics and Financial Research, 4*(9), 297-302

Frank, B., Simon G. & Josephine, M. (2014), Risk management practices adopted by financial firms in Malta. *Managerial Finance, 40*, 587-612.

Hamisu, M., Ibrahim, M.A., & Zango, A.G. (2021). Credit risk management and financial performance of selected banks in Nigeria. *Polac economic review (per), 1*(1)

Kolapo, A., Ayeni, R. & Oke, M. (2012). Determining Impacts on Non-Performing Loan Ratio in Turkey. *Journal of Applied Finance and Banking, 5*(1), 1-11.

Lip, G. (n.d). Credit Risk Analysis. Credit Risk Analysis - Overview and Purpose (corporatefinanceinstitute.com)

Mafumbo, P. W. (2020). Credit management, credit policy and financial performance of commercial banks in Uganda. *International Journal of Business and Management Review, 8*(5), 68-99

Maverick, J. B. (2021). Financial Risk: The major kinds that companies face. https://www.investopedia.com/ask/answers/062415/what-are-major-categories-financial risk-company.asp

Meht, S. (2022, January 10). Credit Risk Mitigation.Credit Risk Mitigation - Financial Edge (fe.training)

Nikolaidou, E. & Vogiazas, S. (2014). Credit risk determinants for the Bulgaria banking system. *International Advance Economics Research, 20*, 87-102.

Samorodov, B. V., Azarenkova, G. M., Golovko, O. G., Miroshnik, O. Y., & Babenko, M. V. (2019). Credit Risk Management in the Bank's Financial Stability System. *Financial and Credit Activity Problems of Theory and Practice, 4*, 301-310.

Sanusi, L. S. (2012). Banking reform and its impact on the Nigerian economy. *CBN Journal of Applied Statistics, 2*(2), 115-12

Sathyamoorthi, C., Mapharing, M., Mphoeng, M., & Dzimiri, M. (2020). Impact of Financial Risk Management Practices on Financial Performance: Evidence from Commercial Banks in Botswana. *Applied Finance and Accounting, 6*, 25-39.

Telg, S., Dubinova, A., & Lucas, A. (2023). Covid-19, Credit Risk Management Modeling, and Government Support. *Journal of Banking & Finance, 147,* Article ID: 106638. https://doi.org/10.1016/j.jbankfin.2022.106638

Uwalomwa, U., Olamide, O., & Francis, I. (2015). The effect of corporate governance mechanisms on firm's dividend payout policy in Nigeria. *Journal of Accounting and Auditing: Research & Practice, Article ID 313679*, 1- 11

EDITOR-IN-CHIEF
Prof. R. Rena [South Africa]