

**DETERMINANTS OF REPAYMENT PERFORMANCE  
IN MICROFINANCE PROGRAMS IN MALAYSIA: THE  
CASE OF TEKUN NASIONAL PROGRAMS**

**NORHAZIAH BINTI NAWAI**

**DOCTOR OF PHILOSOPHY  
UNIVERSITI UTARA MALAYSIA  
SEPTEMBER 2014**

**DETERMINANTS OF REPAYMENT PERFORMANCE IN  
MICROFINANCE PROGRAMS IN MALAYSIA: THE CASE OF TEKUN  
NASIONAL PROGRAMS**

**By**

**NORHAZIAH BINTI NAWAI**

**Thesis Submitted to  
Othman Yeop Abdullah Graduate School of Business,  
Universiti Utara Malaysia,  
in Fulfillment of the Requirement for the Degree of Doctor of Philosophy**

## **PERMISSION TO USE**

In presenting this thesis in fulfillment of the requirements for the postgraduate degree from the Universiti Utara Malaysia, I agree that the Universiti Library may take it freely available for inspection. I further agree that the permission for copying of this thesis in any manner, in whole or in part, for scholarly purpose may be granted by my supervisor or, in his absence, by the Dean of the Othman Yeop Abdullah Graduate School of Business. It is understood that any copy or publication or use of this thesis or parts thereof for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to the Universiti Utara Malaysia for any scholarly use which may be made of any material from my thesis.

Request for permission to copy or make other use of material in this thesis in whole or in part should be addressed to:

Dean  
Othman Yeop Abdullah Graduate School of Business  
Universiti Utara Malaysia  
06010 UUM Sintok  
Kedah Darul Aman  
Malaysia

## ABSTRACT

The objective of this study is to assess the potential factors influencing micro entrepreneur's repayment performance in microfinance programs in Malaysia by developing a model of repayment performance. The study chooses TEKUN Nasional (TN) microfinance programs as a case study. The research framework of this study is built by four factors namely individual/borrower factors, firm/business factors, loan factors and institutional/lender factors. The study used mixed methodology, combining between quantitative and qualitative data through survey questionnaire and in depth interviews. However, the main study is based on quantitative data and supported by qualitative data. The analysis began with a descriptive exploration, followed by multinomial logit regression analysis and content analysis. Data were collected using multi stage random sampling in Peninsular Malaysia. 401 microentrepreneurs were selected as a sample for quantitative data and 21 microentrepreneurs and 6 TN State managers were selected for qualitative data. The results show that in terms of individual/borrower characteristics, only micro entrepreneur's religious education level is statistically significant in the relationship between delinquent and good borrowers and between default and good borrowers. Whereas, in firm/business characteristics, the result shows that distance, business formality and total sales are statistically significant. The finding shows that total loan received, loan type and repayment schedule are the loan characteristics that affect micro entrepreneur's loan repayment. In terms of institutional/lender characteristics, the finding shows that loan monitoring is statistically significant in the relationship between delinquent and good borrowers. This study contributes significantly to the knowledge of microfinance program at large, wherein it explains that repayment performance plays an important role to ensure that MFIs can continue providing microfinance to the micro entrepreneurs without depending on subsidies.

**Keywords:** Repayment Performance, Individual Lending Methodology, TEKUN Nasional

## ABSTRAK

Objektif kajian ini adalah untuk menilai faktor-faktor yang berpotensi yang boleh mempengaruhi prestasi pembayaran usahawan mikro dalam program pembiayaan mikro di Malaysia dengan membangunkan model prestasi pembayaran balik. Kajian ini memilih program kewangan mikro TEKUN Nasional (TN) sebagai kajian kes. Kerangka penyelidikan ini dibina oleh empat faktor iaitu faktor individu/peminjam, faktor firma/perniagaan, faktor pinjaman dan faktor institusi/pemberi pinjam. Kajian ini menggunakan kaedah campuran iaitu gabungan antara data kuantitatif dan kualitatif melalui kaedah soal-selidik dan temubual secara mendalam. Walau bagaimanapun, kajian utama adalah berdasarkan data kuantitatif dan disokong oleh data kualitatif. Analisis data dimulakan dengan penerokaan deskriptif, diikuti oleh analisis regresi multinomial logit dan analisis kandungan. Data kajian telah dikutip menggunakan persampelen rawak pelbagai peringkat di Semenanjung Malaysia. Seramai 401 usahawan mikro telah dipilih sebagai sampel bagi data kuantitatif dan 21 usahawan mikro dan 6 orang pengurus TEKUN negeri telah dipilih untuk data kualitatif. Hasil kajian ini menunjukkan bahawa dari segi ciri-ciri individu/peminjam, hanya tahap pendidikan agama usahawan mikro yang signifikan secara statistiknya dalam hubungan di antara peminjam yang bermasalah dan baik dan di antara peminjam yang tertunggak dan baik. Manakala, bagi ciri-ciri firma/perniagaan, hasil kajian menunjukkan bahawa jarak, formaliti perniagaan dan jumlah jualan adalah signifikan secara statistiknya. Hasil kajian menunjukkan bahawa jumlah pinjaman yang diterima, jenis pinjaman dan jadual pembayaran balik pinjaman adalah ciri-ciri pinjaman yang member kesan kepada pembayaran balik pinjaman usahawan mikro ini. Dari segi institusi/pemberi pinjam, dapatan kajian menunjukkan bahawa pemantauan pinjaman adalah signifikan dalam hubungan antara peminjam bermasalah dan baik. Kajian ini menyumbang kepada pengetahuan program pembiayaan mikro secara amnya di mana ia menjelaskan kepentingan prestasi pembayaran balik pinjaman bagi memastikan institusi pembiayaan mikro boleh terus menyediakan pembiayaan mikro kepada usahawan mikro tanpa bergantung kepada subsidi.

**Kata Kunci:** Prestasi Pembayaran Balik, Kaedah Pinjaman Individu, TEKUN Nasional.

## ACKNOWLEDGEMENTS

All praise and gratitude to Allah for His mercy to complete this thesis writing. Author expressed the utmost gratitude to all who helped her directly and indirectly, either moral support or material assistance. Without their help and support, this thesis will never be exist.

My sincere appreciation is extended to those who have extended their help, encouragement, and understanding to this thesis has been possible. Particularly; my utmost humble appreciation to my supervisor, Prof. Dr. Mohd Noor Mohd Shariff, a Professor in College of Business, Universiti Utara Malaysia; who has invested his tireless efforts, times, and dedications in making this thesis a success.

Next, my utmost humble appreciation is to En. Azman Yusuf, a TEKUN Officer, who has helped me a lot in data collection. My sincere thank to the Government of Malaysia for offering me a scholarship to pursue my study, Universiti Sains Islam Malaysia and Universiti Utara Malaysia who have admitted me the opportunity for the study in this university.

Last but not least, my sincere thank and appreciation to all the respondents, colleagues and friends for their help over the research period. Their sincere encouragement and help have been invaluable and unforgettable to me. Lastly; my many thanks to my parents (Nawai Bin Hamidi and Sarijah Binti Md. Sohol), my husband (Mohd Nor Bin Abdul Rahman), and my daughters (Nayli Ilhami Sofea and Nadia Iewani Sofea),

for their supports and countless sacrifices; with my deepest love and gratitude, I dedicate this thesis to them.

## TABLE OF CONTENTS

PERMISSION TO USE	iv
ABSTRACT	v
ABSTRAK	vi
ACKNOWLEDGEMENTS	vii
TABLE OF CONTENTS	ix
LIST OF TABLES	xiii
LIST OF FIGURES	xvii
LIST OF ABBREVIATIONS	xviii
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the Study	1
1.2 Problem Statement	8
1.3 Objectives of the Study	19
1.4 Research Questions	20
1.5 Significance of the Study	22
1.6 Scope of the Research	24
1.7 Operational Definitions of Key Words	24
1.8 Organisation of the Thesis	26
CHAPTER TWO	29
LITERATURE REVIEW I: OVERVIEW OF MICROFINANCE IN DEVELOPED AND DEVELOPING COUNTRIES	29
2.1 Introduction	29
2.2 The History of Microfinance	30
2.3 Microfinance Definition	34
2.4 Microfinance Lending Model	39



2.5	Microfinance Institutions	47
2.6	The Leading of MFIs in the World	51
2.7	Microfinance in Malaysia	61
2.8	Government Plan on SMEs towards Vision 2020	96
2.9	Summary	101
CHAPTER THREE		102
LITERATURE REVIEW II: THEORY AND MODELS OF LOAN REPAYMENT PERFORMANCE		102
3.1	Introduction	102
3.2	Agency Theory	103
3.3	Asymmetric Information	105
3.4	Agency Problem	107
3.5	Adverse Selection	109
3.6	Moral Hazard	111
3.7	Repayment Performance of MFIs	115
3.8	The Model of Loan Repayment Behaviour	123
3.9	Previous Models of Repayment Performance	126
3.10	Factors Affecting Repayment Performance	133
3.11	Factors Affecting Loan Payment Problems in Microfinance Programmes	151
3.12	Conceptual Framework	152
3.13	Summary	153
CHAPTER FOUR		154
RESEARCH METHODOLOGY		154
4.1	Introduction	154
4.2	Research Design	154
4.3	Sources of Data	171
4.4	Quantitative Approach	173
4.5	Qualitative Approach	214
4.6	Summary	224

CHAPTER FIVE	226
RESULTS AND DISCUSSIONS	226
5.1 Introduction	226
5.2 The Criteria Used by TN in Selecting Borrowers Compared with Other MFIs	226
5.3 Results of Descriptive Analysis	233
5.4 Bivariate Correlation Analysis Results	251
5.5 Multicollinearity Test	253
5.6 Outliers	255
5.7 A Goodness of Fit Test	255
5.8 Correlation between Independent Variables and Dependent Variable	258
5.9 Factors Affecting Repayment Performance: Multinomial Logit Model	261
5.10 Model Improvement	264
5.11 Factors Affecting Repayment Performance: Qualitative Analysis	272
5.12 Factors That Cause Repayment Problems	279
5.13 Summary	288
CHAPTER SIX	290
CONCLUSIONS AND RECOMMENDATIONS	290
6.1 Introduction	290
6.2 Summary and Major Findings	290
6.3 Research Recommendation	298
6.4 Research Contributions	303
6.5 Research Limitations and Suggestions for Further Research	305
6.6 Summary	307
REFERENCES	308
APPENDIX 1	374
APPENDIX 2	375
APPENDIX 3	376
APPENDIX 4	377
APPENDIX 5	387
APPENDIX 6	396

APPENDIX 7	397
APPENDIX 8	399
APPENDIX 9	404

## LIST OF TABLES

	Page
Table 1.1: Summary of Previous Study on Repayment Performance of Microcredit Program	13
Table 1.2: Causes and Action to Improve Loan Repayment	16
Table 2.1: Progress of Microfinance from 1997 to 2010	39
Table 2.2: The Comparison between Individual Lending Method and Group-Based Lending Method	42
Table 2.3: Poverty Line and the Eligibility Income	67
Table 2.4: Types of Products Offered by AIM	70
Table 2.5: Total Fund Received by TN from 1999 until 2011	87
Table 2.6: Total financing by types of loan from 1999 until 2011	88
Table 2.7: Total Financing by State from 1999 until 2011	89
Table 2.8: Total Repayment by Year from 1999 until 2011	90
Table 2.9: Percentage of Repayment Rate by State from 2009 to 2011	91
Table 2.10: Comparative Table on Microfinance Scheme Offered by Non-Bank Institutions in Malaysia	93
Table 3.1: Measurement of Repayment Performance	119
Table 3.2: Individual/ Borrower Characteristics that Affecting Repayment Performance	138
Table 3.3: Firm Characteristics that Affecting Repayment Performance	140
Table 3.4: Institutional/Lender Characteristics that Affecting Repayment Performance	142
Table 3.5: Loan Characteristics that Affecting Repayment	144

	Performance	
Table 3.6:	Overview of Past Literature on Determinants of Repayment Performance	146
Table 4.1:	Summary of Previous Research Methodologies	161
Table 4.2:	Triangulation Design	170
Table 4.3:	Theoretical Expectation	178
Table 4.4:	Total Borrowers of TN in Peninsular of Malaysia from 2005 until May 2010	190
Table 4.5:	Total Branches of TN in Peninsular of Malaysia	191
Table 4.6:	Summary of Sample Used in the Previous Study	194
Table 4.7:	The Response Rates of Survey Questionnaires	195
Table 4.8:	Sample Size of the Study	196
Table 4.9:	Distribution of Variables	201
Table 4.10:	Repondents' Demographic Profile	218
Table 4.11:	Repayment Performance by State at 2011	219
Table 5.1:	Credit Risk Applied by TN in Selecting Borrowers	230
Table 5.2:	Comparable Table Between TN and Other Institutions That Offer Individual Lending Microfinance	231
Table 5.3:	Gender of borrowers	235
Table 5.4:	Education Level of Borrowers	236
Table 5.5:	Religious Education Level of Borrowers	237
Table 5.6:	Descriptive Analysis on Age, Business Experience and Total Household Income	239
Table 5.7:	Borrower's Business Location	240
Table 5.8:	Borrower's Business Sector	241

Table 5.9:	Borrower's Business Status	242
Table 5.10:	Borrower's Business Area	242
Table 5.11:	Business Formality	243
Table 5.12:	Descriptive Results on Years of Business Establishment, Distance to TN Office and Total Monthly Sales	244
Table 5.13:	Types of Loans of Borrowers	245
Table 5.14:	Borrower's Repayment Schedule	246
Table 5.15:	Borrower's Repayment Period	247
Table 5.16:	Descriptive Analysis on Total Amount Received and Total Monthly Installment	248
Table 5.17:	Loan Monitoring	249
Table 5.18:	Loan Approval	250
Table 5.19:	Borrower's Repayment Status	251
Table 5.20:	Pearson Correlation Matrix of the Independent Variables	252
Table 5.21:	Multicollinearity Test	254
Table 5.22:	Pseudo R-Square	256
Table 5.23:	Model Fitting Information	258
Table 5.24:	Correlation Table: Individual Characteristics	259
Table 5.25:	Correlation Table: Firm Characteristics	260
Table 5.26:	Correlation Table: Loan Characteristics	261
Table 5.27:	Correlation Table: Institutional/Lender Characteristics	261
Table 5.28:	Multinomial Logit Estimation Model of Loan Repayment Performance	263
Table 5.29:	Model Improvement of Multinomial Logit Estimation	265

### Model of Loan Repayment Performance

Table 5.30:	Factors Affecting Repayment Performance: Content Analysis	276
Table 5.31:	Causes of Loan Repayment Problems among Respondents	283
Table 5.32:	Factors that Cause Loan Repayment Problems among Borrowers in TN Microfinance Program	286

## LIST OF FIGURES

	Page
Figure 1.1: Microfinance model	3
Figure 1.2: The Triangle of Microfinance	12
Figure 1.3: The Framework for Research Process	28
Figure 2.1: The Evolution of Micro Financing in Malaysia	65
Figure 3.1: The problems and solutions of loan repayment performance	114
Figure 3.2: The Natural Behavior of Borrowers toward Their Debt	124
Figure 3.3: Repayment Performance Conceptual Model for Research	152
Figure 4.1: Sources of Data and Information	173
Figure 5.1: TN Loan Management Procedure	228
Figure 6.1: Model of Repayment Performance in Microfinance Individual Lending	297



## LIST OF ABBREVIATIONS

### Abbreviations

ADB	Asian Development Bank
AID	Agency for International Development
AIM	Amanah Ikhtiar Malaysia
ALC	Approval Loan Committee
ASA	Association for Social Advancement
BAAC	Bank of Agriculture and Agricultural Cooperative
BRAC	Bangladesh Rehabilitation Assistance Committee
BKK	Badan Kredit Kecamatan
BNM	Bank Negara Malaysia
BPR	Bank Perkreditan Rakyat
BRI	Bank Rakyat Indonesia
BUD	Bank Rakyat Indonesia Unit Desa
CCM	Company Commission of Malaysia
CGAP	The Consultative Group to Assist the Poor
CGC	Credit Guarantee Corporation

DFIs	Development Financial Institutions
EPU	Economic Planning Unit
EU	European Union
FIs	Financial Institutions
FFIs	Formal Financial Institutions
FINCA	Foundation for International Community Assistance
GGs	Grameen Generalized System
IADB	Inter-American Development Bank
IFIs	Informal Financial Institutions
KKR	Koperasi Kredit Rakyat
LDC	Least Developed Countries
LDKP	Lembaga Dana Kredit Pedesaan
MEs	Microenterprises
MECD	Ministry of Entrepreneur and Cooperative Development
MFI	Microfinance Institutions
MOA	Ministry of Agriculture
MOF	Ministry of Finance

NEM	New Economic Model
NEP	New Economic Policy
NKRA	National Key Result Area
NSDC	National Small Medium Development Council
NGOs	Non-Governmental Organizations
NPLs	Non-Performing Loans
OMs	Owner-Managers
PNB	Permodalan Nasional Berhad
PUNB	Perbadanan Usahawan Nasional Berhad
ROSCAs	Rotating Savings and Credit Associations
SKM	Suruhanjaya Koperasi Malaysia
SMEs	Small and Medium Enterprises
SME Corp	Small and Medium Enterprise Corporation Malaysia
SFIs	Semi-formal Financial Institutions
TN	TEKUN Nasional
USAID	United States Agency for International Development
USD	United States Dollar

VO Village Organisation

YUM Yayasan Usaha Maju

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

Microfinance has been recognised as an essential socioeconomic and financial mechanism for poverty alleviation, promoting entrepreneurial development, and increasing the profile of disadvantaged people in numerous countries throughout the world (Hossain, Rees, & Millar, 2012). Microfinance serves to promote rural livelihoods and the urban poor by the creation of entrepreneurship opportunities that encourage the reduction of unemployment through creating potential business based on their interests and skills. Microfinance is targeted to poor people because these people usually lack collateral, have no steady employment and a verifiable credit history, which therefore, cannot even meet the most minimal qualifications to gain access to normal banking. Besides, it can avoid the poor people from illegal lending sources such as moneylenders and loan sharks that charge exorbitant or excessive interest rates.

The Microfinance Institutions (MFIs) provide funds for start-up business and for working capital purpose. In addition, some MFIs also provide funds for non-business activities such as for education and emergency purposes. Usually the MFIs offer credit as low as RM500 (USD142) to a maximum of RM50,000 (USD14,285) with a repayment

The contents of  
the thesis is for  
internal user  
only

## REFERENCES

- Adams, D.W., Graham, D., & Von Pischke, J. D. (1984). *Undermining rural development with cheap credit*. Boulder, Colorado: Westview Press.
- Addisu, M. (2006). Micro-finance repayment problems in the informal sector in Addis Ababa. *Ethiopian Journal of Business & Development*, 1(2), 29-50.
- Adekunle, B. (2007). *Cooperative thrift and credit society: a strategy for entrepreneurial development in Nigeria*. (Unpublished Doctoral Dissertation). University of Guelph, Ontario, Canada.
- Adegbite, D. (2009). Repayment performance of beneficiaries of Ogun State agricultural and multi-purpose credit agency (Osamca) in Ogun State, Nigeria (2004-2007). *American Eurasian Journal of Sustainable Agriculture* , 3 (1), 117-125.
- Ajaz Ahamd Khan., & Philips, I. (2010). *The influence of faith on Islamic microfinance programmes*. Birmingham, UK: Islamic Relief Worldwide.
- Akerlof, G. (1970). The market for lemons: Qualitative uncertainty and the market mechanism, *Quarterly Journal of Economics*, 84, 488-500.

Akwasi. M. A. & Idowu.O.O. (2011). Determinants of loan repayment and bank loan default among small scale farmers in North West Province, South Africa. *Life Science Journal*, 8(1), 11 – 18.

Alliance, I. C.-o. (2007, May 26). *International Co-operative Alliance*. Retrieved from International Co-operative Alliance (ICA) website: <http://www.ica.coop/coop/principles.html>

Amanah Ikhtiar Malaysia (AIM). (1989). *Amanah Ikhtiar Malaysia Annual Report 1989*, Penang, Malaysia: Jutaprint.

Amanah Ikhtiar Malaysia (AIM). (2009). *Amanah Ikhtiar Malaysia Annual Report 2009*, Penang, Malaysia: Jutaprint.

Amanah Ikhtiar Malaysia (AIM). (2013). *Amanah Ikhtiar Malaysia Monthly Report 2013*. Retrieved from <http://www.aim.gov.my/index.php/>.

Ang, J.S. (1991), Small business uniqueness and the theory of financial management, *The Journal of Small Business Finance*, 1(1), 1-3.

Ang, J.S. (1992). On the theory of finance for privately held firms. *The Journal of Small Business Finance*, 1(3), 185-203.



- Antonius, R. (2003). *Interpreting quantitative data with SPSS*. United Kingdom, London: Sage Publications.
- Arene, C.J. (1992). Loan repayment and technical assistance among smallholder maize farmers in Nigeria. *African Review of Money and Banking. A Supplement of Savings and Development Journal*, 1, 64-72.
- Armendariz de Aghion, B., & Murdoch, J. (2000). Microfinance beyond group lending. *Economics of Transition*, 8(2), 401-420.
- Armendariz, B., & Morduch, J. (2007). *The Economics of Microfinance*. Cambridge, Massachusetts: The MIT Press.
- Arsyad, L. (2006). Assessing factors affecting the repayment rate of microfinance institutions: a case study of village credit institutions of Gianyar, Bali. *Gadjah Mada International Journal of Business*, 8(2), 247-273.
- Asia Pacific Economic Cooperation (APEC). (2003). *Micro-enterprise development action plan*. Small and Medium Enterprises Ministerial Meeting. Chiang Mai, Thailand, 7-8 August.
- Ayco, R.T. (2007). *On micro enterprise development*. Scribd. Retrieved from

<http://www.scribd.com/doc/12805772/0n-microenterprise-development-by-Ramon-T-Ayco>.

Awoke, M.U. (2004). Factors affecting loan acquisitioned repayment patterns of smallholder farmers in Inlka North-East of Delta State Nigeria. *Journal of Sustainable Tropical Agricultural Research*, 9, 61-64.

Azevedo, R. E., & Akdere, M. (2011, August). Examining agency theory in training & development: Understanding self-interest behaviors in the organization. *Human Resource Development Review*, 10(4), 399 – 416.

Babbie, E., & Rubin, A. (2011). *Research methods for social work* (7nd Ed.). Belmont, CA: Brooks/Cole Cengage Learning.

Balkenhol, B. (1990). Guaranteeing bank loans to smaller entrepreneurs in West Africa. *International Labour Review*, 129, 245-253.

Banerjee, A.V., Besley, T., & Guinnane, T.W. (1994). Thy neighbor's keeper: the design of a credit cooperative with theory and a test. *The Quarterly Journal of Economics*, 109(2), 491-515.

Bank Indonesia. (2013). *Jumlah Bank Perkreditan Rakyat di Indonesia*. Retrieved from <http://www.bi.go.id/web/id/Publikasi/Laporan+Keuangan+Publikasi+Bank/Alamat+Bank/Alamat+bpr/rekap.htm>.

Bank Negara Malaysia (BNM). (2005). *Bank Negara Malaysia Annual Report 2005*. Kuala Lumpur, Malaysia: Bank Negara Malaysia.

Bank Negara Malaysia (BNM). (2008). *Bank Negara Malaysia Annual Report 2008*. Kuala Lumpur, Malaysia: Bank Negara Malaysia.

Barkham, R., Gudgin, G., Hart, M., & Hanvey, E. (1996). The Determinants of small firm growth: An inter-regional study in the United Kingdom 1986-90. *Regional Policy and Development Series 12*, Regional Studies Association, London.

Barnea, A., Haugen, R., & Senbet, L. (1981). Market imperfections, agency problems, and capital structure: A review. *Financial Management*, Summer, 7-22.

Bartlett, J. E., Kotrlik, J. W., & Higgins, C. C. (2001). Organizational research: Determining appropriate sample size in survey research. *Information Technology, Learning, and Performance Journal*, 19 (1), 43-50.

Batchelor, C. (1989,14 February). The banks fight off their crisis, *Financial Times*, p.3.

Becker, G. (1991). *A Treatise on the family*. Havard University, Cambridge, United Kingdom.

Berg, B. (2004). *Qualitative Research Methods for the Social Sciences* (5th Ed.). Boston, USA: Pearson.

Bergen, M., Dutta, S., & Walker, C. O. (1992). Agency relationships in marketing:A review of the implications and applications of agency and related theories. *The Journal of Marketing* , 56 (3), 1-24.

Berger, A.N., & Udell, G.F. (1995). Small business credit availability and relationship lending: The importance of bank organisational structure. *The Economic Journal*, 112, 32-53.

Berglind, V., & Karimi, A. (2007). *Repayment performance in microfinance : A theoretical analysis*. Retrieved from Uppsala University Web site: [uu.diva-portal.org/smash/get/diva2:131739/FULLTEXT01](http://uu.diva-portal.org/smash/get/diva2:131739/FULLTEXT01)

Brehanu, A., & Fufa, B. (2008). Repayment rate of loans from semi-formal financial institutions among small-scale farmers in Ethiopia: Two-limit tobit analysis. *The Journal of Socio-Economics* , 37, 2221-2230.

Berita Harian. (2009, 16 February). PUNB sasar salurkan pinjaman RM164.3 juta.

Bertaux, D. (1981). From the life-history approach to the transformation of sociological practice. In B. Daniel, *Biography and Society: The Life History Approach in the Social Sciences* (pp. 29-45). London: Sage Publications.

Besanko, D., & Thakor A. (1987), Competitive equilibrium in the credit market under asymmetric information. *Journal of Economic Theory*, 42, 167-182.

Besley, T., & Coates, S. (1995). Group lending, repayment incentives and social collateral. *Journal of Development Economics*, 46, 1-18.

Bhatt, N., Painter, G., & Tang, S.Y. (1999). Can microcredit work in the United States? *Harvard Business Review*, November/December, 26-27.

Bhatt, N., & Tang, S.Y. (2002). Determinants of repayment in microcredit: evidence from programs in the United States. *International Journal of Urban and Regional Research*, 26(6), 360-376.

Binks, M.R., & Ennew, C.T. (1996). Growing firms & the credit constraint. *Small Business Economics*, 8(1), 17-25.

- Boomgard, J.J. (1989, December). A.I.D. Microenterprise stocktaking: synthesis report. *A.I.D. Evaluation Special Study*. No.65. Washington.
- Bottomley, A. (1983). Interest rate determination in underdeveloped rural areas: Rural financial markets in developing countries . In Von-Pischke, J. Adam, & G. Donalds, *EDI Series in Economic Development* (pp. 243-250). Baltimore and Land: John Hopkins University Press.
- Boyes, W.J., Hoffman, D., & Low, S. (1989). An econometric analysis of the bank credit scoring problem. *Journal of Econometrics*, 40, 3-14.
- BRAC. (2012). *BRAC at a glance*. Retrieved from [http://www.brac.net/content/stay-informed-brac-glance#.UjLNnsbWX\\_k](http://www.brac.net/content/stay-informed-brac-glance#.UjLNnsbWX_k).
- Bratton, M. (1986). Financing smallholder production: A comparison of individual and group credit schemes in Zimbabwe. *Public Administration and Development*, 6, 115-132.
- Brau, J.C., & Woller, G.M. (2004). Microfinance: a comprehensive review of the existing literature. *Journal of Entrepreneurial Finance and Business Ventures*, 9, 1- 26.

- Brehanu, A. & Fufa, B. (2008). Repayment rate of loans from semi-formal financial institutions among small-scale farmers in Ethiopia: Two-limit tobit analysis. *The Journal of Socio-Economics*, 37, 2221 – 2230.
- Brown, J. (2001). *Using surveys in language programs*. Cambridge: Cambridge University Press.
- Brown, J.D., Earle, J.S., & Lup, D. (2005). What makes small firms grow? finance, human capital, technical assistance, and the business environment in Romania. *Economic Development and Cultural Change*, 54(1), 33-70.
- Brown, M. & Zehnder, C. (2007). Credit reporting, relationship banking, and loan repayment. *Journal of Money, Credit and Banking*, 39(8), 1883-1918.
- Bryman, A. (2004). *Social research methods* (2nd ed.). New York: Oxford University Press.
- Bryman, A., & Bell, E. (2007). *Business research methods* (2nd ed.). New York: Oxford University Press.
- Budiantoro, S. (2004). *Financial reform untuk keuangan mikro*. CAMEO. Fact about SB 1156: Promoting micro-enterprise. Retrieved from <http://www.>

[microbiz.org/html/article\\_sb1156.htm](http://microbiz.org/html/article_sb1156.htm).

Burns, A. C., & Bush, R. F. (2006). *Marketing research with SPSS 13.0 student version for windows* (5th ed.). New York: Prentice Hall.

Buttner, E.H., & Rosen, B. (1998). Bank loan officer perceptions of the characteristics of men, women, and successful entrepreneurs. *Journal of Business Venturing*, 3, 249-258.

Carney, M., & Gedajlovic, E. (1991). Vertical integration in franchise systems: Agency theory and resource explanations. *Strategic Management Journal* , 12 (8), 607-629.

Carter, S., & Cannon, T. (1992), *Women as entrepreneurs: A study of female business owners, their motivations, experiences and strategies for success*. London: Academic Press.

Chan, Y.C., & Kanatas, G. (1985), Asymmetric valuations and the role of collateral in loan agreements. *Journal of Money Credit and Banking*, 17(1), 84-95.

Chamhuri, S., & Quinones, B. (2000). Microfinance in Malaysia: Aiming at success. In R.M. Auty, R.B. Potter & J. Remenyi (Eds.), *Microfinance and poverty*



*alleviation* (pp. 180 – 199). New York, United States: Routledge.

Chamhuri, S. & Basri, A.T. (2001). Micro-finance capacity assessment for poverty alleviation: Outreach, viability and sustainability. *Humanomics*, 17, ½; ABI/INFORM Global.

Chapra, M. U. (1981). Money and banking in an Islamic economy. In. M. Ariff (ed.) (Unpublished), *Monetary and Fiscal Economics of Islam* (Islamabad, Jan 1981).

Chaudhary, M., & Ishfaq, M. (2003). Credit worthiness of rural borrowers of Pakistan. *The Journal of Socio-Economics*, 32, 675 – 684.

Chee, P.L. (1986). *Small industry in Malaysia*. Kuala Lumpur, Malaysia: Berita Publishing Sdn.Bhd.

Chirwa, E.W. (1997). An econometric analysis of the determinants of agricultural credit repayment in Malawi. *African Review of Money and Banking. Supplement of the Saving and Development Journal*, 1(2), 107-119.

Christen, M., Lyer, G., & Soberman, D. (2006). Job satisfaction, job performance, and effort: A reexamination using agency theory. *Journal of Marketing* , 70 (1), 137-150.

- Christen, R. (1992). Formal credit for informal borrowers: Lessons from informal lenders. In D. Adams, & D. Fitchett. *Informal finance in low-income countries*. Oxford: Westview Press.
- Christen, R., Rhyne, E., Vogel, R., & McKean, C. (1995). *Maximizing the outreach of microenterprise finance: the emerging lessons of successful program*. USAID Program and Operations Assessment Report No.10, Washington, DC.
- Christen, R., & Drake, D. (2002). Commercialization. The new reality of microfinance. In D. Drake & E. Rhyne (Eds.). *The commercialization of microfinance, balancing business and development*. Bloomfield: Kumarian Press.
- Chowdhury, M.J.A., Ghosh, D., & Wright, R.E. (2005). The impact of micro-credit on poverty: evidence from Bangladesh. *Progress in Development Studies*, 5(4), 1-12.
- Chowdhury, P.R. (2005). Group lending: sequential financing, lender monitoring and joint liability. *Journal of Development Economics*, 77, 415-439.
- Churchill, G. A., & Iacobucci, D. (2010). *Marketing research methodological foundations* (10th ed.). Ohio, USA: South-Western Cengage Learning.

- Clark, P., & Kays, A. (1999). *Microenterprise and the poor: findings from the self-employment learning project*. Washington, DC: The Aspen Institute.
- Cochran, W. (1977). *Sampling techniques* (3rd ed.). New York, USA: John Wiley & Sons.
- Cohen, L., & Manion, L. (1994). *Research methods in applied linguistics* (4th ed.). London, UK: Routledge.
- Cohen, L., Manion, L., & Morrison, K. (2000). *Research methods in education* (5th ed.). London, UK: Routledge Falmer.
- Collins, P.H. (1991). *Dictionary of banking and finance*. London, UK: Collins Publishing.
- Collins, D., Morduch, J., Rutherford, S., & Ruthven, O. (2009). *Portfolios of the poor*. New Jersey, USA: Princeton University Press.
- Commission on Public Policy and British Business (1997), *Promoting Prosperity: A Business Agenda for Britain*, Institute for Public Policy Research, London.
- Consultative Group to Assist the Poor (CGAP).(2006). *CGAP Annual Report*

2006. Washington, DC: IEGKE.

Consultative Group to Assist the Poor (CGAP).(2006). *The New Vision of Microfinance: Financial Services for the Poor*. Retrieved from <http://www.globalvision.org/library/4/1051/>.

Consultative Group To Assist the Poor (CGAP). (2010). What is microfinance?. Retrieved from [www.microfinancegateway.org/p/site/m/template.rc/1.26.9183/](http://www.microfinancegateway.org/p/site/m/template.rc/1.26.9183/)

Conroy, J.D. (2002). Microfinance in Malaysia: Time to rebuild. *The Foundation for Development Corporation*. Brisbane, Australia.

Copisarow, R. (2000). The application of micro credit technology to the UK: Key commercial and policy issues. *Journal of Micro Credit*, 1(1).

Cosh, A. & Hughes, A. (1994). Size, financial structure and profitability: UK companies in the 1980s', In Hughes and Storey, D.J. (eds), *Finance and the small firm*. London, UK: Routledge, 18-63.

Cotler, P., & Woodruff, C. (2008). The impact of short term credit on microenterprises: Evidence from the Fincomun-Bimbo program in Mexico. *Economic Development and Cultural Change*, 830-849.

- Coyle, B. (2000). *Framework for credit risk management*. London, UK: CIB Publishing.
- Cressy, R.C. (1993). *Loan commitments and business starts: An empirical investigation on UK data*. (SME Centre Working Paper No. 12). Warwick Business School, UK.
- Creswell, J. W. (1998). *Qualitative inquiry and research design: Choosing among five traditions*. Thousand Oaks, California: Sage Publications.
- Creswell, J.W. (2002). *Research design: qualitative, quantitative and mixed method approaches*. (2<sup>nd</sup> Ed.). Thousand Oaks, California: Sage Publications.
- Creswell, J. W. (2003). *Research design qualitative, quantitative, and mixed methods approaches* (2nd ed.). Thousand Oaks, California: Sage Publications.
- Creswell, J. W., & Plano Clark, V. L. (2007). *Designing and conducting mixed method research*. Thousand Oaks, California: Sage Publications.
- Crook, J. (1996). Credit constraints and US household. *Applied Financial Economics*, 6, 477-485.
- Crouch, M., & McKenzie, H. (2006). The logic of small samples in interview based qualitative research. *Social Science Information*, 45 (4), 483-499.

- Cuevas, C. E., Graham, D. H., & Masini, M. (1988, June). Development finance in rural Niger: structural deficiencies and institutional performance. *Economic and Sociology Occasional Paper* , pp. 1-29.
- Cull, R., Demirguc-Kunt, A., & Murdoch. J. (2007). Financial performance and outreach: A global analysis of leading microbanks. *Economic Journal*, 117(517), 107-133.
- Cunningham, J., & Lischeron, J. (1991). Defining entrepreneurship. *Journal of Small Business Management*, 29(1), 450-461.
- Daley-Harris, S. (2009). *State of the microcredit summit campaign report 2009*. Microcredit Summit Campaign. Washington. USA.
- Dayanandan, R. & Weldeselassie, H. (2009). Determinants of loan repayment performance among small farmers in Northern Ethiopia. *Journal of African Development Studies*, 2(1), December 2009. Retrieved from <http://www.ecsc.edu.et/journal/volum2/determinantsofloan.pdf>.
- Deakins, D., & Hussain, G. (1992). *Overcoming the adverse selection problem*. Paper presented at the 15th UK Small Firms Conference, Southampton, UK.

- Deakins, D., & Philpott, T. (1994), Comparative european practices in the finance of new technology entrepreneurs: UK, Germany and Holland. In Oakey, R. (ed.), *New Technology Based Firms in the 1990s*, London: Paul Chapman, pp.93-103.
- De Meza, D., & Webb, D. (1987). Too much investment: A problem of asymmetric information. *Quarterly Journal of Economics*, 102, 281-292.
- D'Espallier, B., Guerin, I., & Mersland, R. (2009). Women and repayment in microfinance. *RUME Working Paper Series*. 2. Rural Microfinance and Employment (RUME).
- D'espallier, B., Gue´rin, I., & Mersland, R. (2011). Women and repayment in microfinance: A global analysis. *World Development* , 39 (5), 758-772.
- Deininger, K., & Liu, Y. (2009). *Determinants of repayment performance in Indian micro-credit groups*. Washington D.C: The World Bank.
- Demski, J., & Feltham, G. (1978). Economic incentives in budgetary control systems. *Accounting Review* , 53, 336-359.
- Denzin, N., & Lincoln, Y. (1998). Introduction: Entering the field of qualitative research. In N. Denzin, & Y. Lincoln, *The lanscape of qualitative research: Theories*

*and issues*. Thousand Oaks: Sage Publication. pp. 1-35.

Denzin, N., & Lincoln, Y. (2000). *Handbook of qualitative research*. London, UK: Sage Publications.

Denzin, N., & Lincoln, Y. (2005). *The sage handbook of qualitative research* (3rd eds.). Thousand Oaks, California: Sage Publications.

Department of Statistics. (2005). *Census of establishments and enterprises*. Putrajaya, Malaysia: Department of Statistics.

Department of Statistics. (2009). *Labor force survey of entrepreneurs in Malaysia*. Kuala Lumpur: Department of Statistics.

Department of Statistics. (2012a). *Economic census 2011: profile of small and medium enterprise*. Putrajaya, Malaysia: Department of Statistics.

Department of Statistics. (2012b). *Household income and basic amenities survey report 2009*. Putrajaya, Malaysia: Department of Statistics.

Derban, W., Binner, J., & Mullineux, A. (2005). Loan repayment performance in



community development finance institutions in the UK. *Small Business Economics*, 25, 319-332.

Dhaka & Shibaloy. (2012, Nov 3<sup>rd</sup>). Bangladesh and development: The path through the fields. *The Economist*.

Diagne, A. (1998). *Default incentives, peer pressure, and equilibrium outcomes in group-based lending programmes*. Working Paper. International Food Policy Research Institute.

Diagne, A., Chimombo, W., Simtowe, F., & Mataya, C., (2000). *Design and sustainability issues of rural credit and saving programs for the poor in Malawi: an action-oriented research project*. Washington, DC: IFPRI.

Diamantopoulos, A., & Schlegelmilch, B. (1997), *Taking the fear out of data analysis*. London, UK: The Dryden Press.

Dichter, T.M. (1999). *Non-governmental organizations in microfinance: Past, present and future – An essay, case studies in microfinance*. World Bank, Washington D.C. Retrieved from [http://wbln0018.worldbank.org/html/FinancialSectorWeb.nsf/\(attachmentweb\)/NGOs\\_Tom\\_Final/\\$FILE/ngoS\\_Tom\\_Final.pdf](http://wbln0018.worldbank.org/html/FinancialSectorWeb.nsf/(attachmentweb)/NGOs_Tom_Final/$FILE/ngoS_Tom_Final.pdf).

- Dunford, C. (2003). *The holy grail of microfinance: Helping the poor and sustainable: microfinance evolution, achievements and challenges*. London, UK: ITDG.
- Economist, T. (2005, November 3rd). *From charity to business*. Special Report: Microfinance.
- Edgcomb, E., Klein, J., & Clark, P. (1996). *The practice of microenterprise in the US*. Washington, DC: The Aspen Institute.
- Eisenhardt, K. M. (1989). Agency theory: An assessment and review. *The Academy of Management Review*, 14, 57-74.
- Ennew, C.T., & Binks, M.R. (1995). The provision of finance to small business: Does the banking relationship constrain performance?. *Journal of Small Business Finance*, 4(1), 57-73.
- Eurostat. (1994). *Enterprises in the European community*. Third Report. Luxembourg.
- Eze, C.C., & Ibekwe, U.C. (2007). Determinants of loan repayment under the indigenous financial system in Southeast, Nigeria. *The Social Sciences*, 2(2), 116-120.
- Ezeh, C. (2003). Credit worthiness and determinants of loan repayment of

smallholder farmers in Abia State, Nigeria. *Journal of Sustainable Tropical Agricultural Research* , 5, 10-13.

Fama, E. (1980). Agency problems and the theory of the firm. *Journal of Political Economy* , 88 (2), 288-307.

Fehmeen. (2010, April 3). *Microfinance Hub*. Retrieved from Microfinance Hub Web site: <http://microfinancehub.com/>

Fidrmuc, J., & Hainz, C. (2010). Default rates in the loan market for SMEs: Evidence from Slovakia. *Economic Systems*, 34, 133-147.

Field, A. (2000). *Discovering statistics using spss for windows*. London, UK: Sage Publications.

Field, E., & Pande, R. (2008). Repayment frequency and default in microfinance: Evidence from India. *Journal of the European Economic Association*, 6(2-3), 501-509.

Fink, A. (1995). *The survey handbook (Vol. 1)*. Thousand Oaks, California: Sage Publications.

- Fitzgerald, J.D., & Cox, S.M. (2002). *Research methods and statistics in criminal justices: An introduction*. (3<sup>rd</sup> eds.). Belmont, California: Wadsworth.
- Floro, S.L., & Yotopolous, P.A. (1991). *Informal credit markets and the new institutional economics: The case of Philippine agriculture*. Boulder: Westview Press.
- Fry, M. J. (1995). *Money, interest, and banking in economic development* (2nd eds.). The John Hopkins University, USA: the John Hopkins University Press.
- Frydman, H., Altman, E.I., & Kao, D.L. (1985). Introducing recursive partitioning for financial classification: the case of financial distress. *Journal of Finance*, 40(1), 269-291.
- Gadenne, D. (1998). Critical success factors for small business: An inter-industry comparison. *International Small Business Journal*, 17(1), 36-57.
- Ganka, D. (2010). *Financial sustainability of rural microfinance institutions in Tanzania*. (Unpublished Doctoral thesis). University of Greenwich, Australia.
- Gay, L., Mills, G., & Airasian, P. (2006). *Educational Research: Competencies for Analyzing and Applications* (8th eds.). Upper Saddle River, New Jersey: Pearson.

- Gershon, F., Onchan, T., & Raparla, T. (1988). Collateral guarantees and rural credit in developing countries: Evidence from Asia. *Agricultural Economics*, 2, 231-245.
- Ghatak, M., & Guinnane, T.W. (1999). The economics of lending with joint liability: Theory and practice. *Journal of Development Economics*, 60, 195- 228.
- Ghatak, M. (1999). Group lending, local information and peer selection. *Journal of Development Economics*, 60, 27-50.
- Ghatak, M. (2000). Screening by the company you keep: joint liability lending and the peer selection effect. *The Economic Journal*, 110, 601- 631.
- Gibbons, D.S. & Kassim, S. (1990). *Banking on the poor*, Penang, Malaysia: AIM Publication.
- Giné, X., Jakiela, P., Karlan, D., & Jonathan, M. (2006, July). *World Bank Policy Research Working Paper*. Retrieved from Social Science Research Network: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=921498](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=921498).
- Girden, E.R. (2001). *Evaluating research article: from start to finish*. London, UK: Sage publication.

- Gitman, L. (2009). *Principles of managerial finance*. (12<sup>th</sup> eds.). Boston, USA: Pearson International Edition.
- Given, L. (2008). *The sage encyclopedia of qualitative research methods*. Los Angeles, California: Sage Publications.
- Glaser, B.G. & Strauss, A.L. (1976). *The discovery of grounded theory: Strategies for qualitative research*. Chicago: Aldine.
- Godquin, M. (2004). Microfinance repayment performance in bangladesh: How to improve the allocation of loans by MFIs. *World Development*, 32(11), 1909-1926.
- Goetz, A.M., & Sen Gupta, R. (1996). Who takes the credit? Gender, power and control over loan use in rural credit programmes in Bangladesh. *World Development*, 24(1), 45-63.
- Gonzalez-Vega, C., Schreiner, M., Meyer, R.L., Rodriguez-Meza, J. & Navajas, S (1997). *An Ohio state primer on microfinance in Bolivia*. Unpublished manuscript. Rural Finance Program, Department of Agricultural Economics, the Ohio State University.
- Gonzalez-Vega, C. (1998). *Microfinance: broader achievements and new challenges*.

Economics and Sociology Occasional Paper No. 2518. The Ohio State University, USA.

Graham Bannock & Partners (1997), *Credit guarantee schemes for small business lending – A Global Perspective*. Graham Bannock and Partners, London.

Grameen Bank. (2009). Grameen Bank Monthly Update in US\$: November, 2009. Retrieved from [http://www.grameeninfo.org/index.php?option=com\\_content&task=view&id=45&Itemid=527](http://www.grameeninfo.org/index.php?option=com_content&task=view&id=45&Itemid=527).

Grameen Bank. (2011). *Annual Report 2012*. Retrieved from [www.grameen-info.org/index.php?option=com\\_content&task=view&id=1172&Itemid=998](http://www.grameen-info.org/index.php?option=com_content&task=view&id=1172&Itemid=998).

Graziono, A.M., & Raulin, M. L. (2004). *Research methods: a process of inquiry*. Boston, Massachusetts: Pearson.

Greene, W. (1996). *Econometric analysis*. (2<sup>nd</sup> eds.) Englewood Cliffs, New Jersey: Prentice Hall.

Greenbaum, S.I., & Thakor, A.V. (1995). *Contemporary financial intermediation*. Forth Worth, Texas: Dryden Press.

- Greenwald, B., A., Weiss, & Stiglitz J.E. (1984). Informational imperfections in capital market and macro-economic fluctuations. *American Economic Review*, 74, 194-200.
- Grubbs, F. (1969). Procedures for detecting outlying observations in samples. *Technometrics*, (11), 1-21.
- Guba, E. (1978). Towards a methodology of naturalistic inquiry in educational evaluation. *CSE Monograph Series in Evaluation No. 8* . Los Angeles, United State: Center for the Study of Evaluation.
- Gudger, M. (1997), The sustainability of credit guarantee systems. *The Financier*, 4(1&2), 30-33.
- Guest, G., Bunce, A., & Johnson, L. (2006). How many interviews are enough? An experiment with data saturation and variability. *Field Methods*, 18 (1), 59-82.
- Guttman, J.E. (2007). *Repayment performance in microcredit programs: Theory and evidence*. Working Paper. Networks Financial Institute. Indiana State University, USA. March 2007.



- Hakim, C. (1989). Identifying fast growth small firms. *Employment Gazette*, 97(1), 29-41.
- Hand, J.H., Lloyd, W.P., & Rogow, R.B. (1982). Agency relationships in the close corporation. *Financial Management*, 11(1), 25-30.
- Hardy. D.C., Holden. P., & Prokopenko. V.(2002). *Microfinance institutions and public policy. International monetary fund. IMF Working Paper. WP/02/159. September 2002.*
- Hair, J.F., Bush, R.P., & Ortinau, D.J. (2003). *Marketing research: Within a changing information environment* (2<sup>nd</sup> eds.). New York, USA: McGraw-Hill/Irwin.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate data analysis* (7<sup>nd</sup> eds.). New Jersey, USA: Pearson Prentice Hall.
- Hartarska, V., & Nadolnyak, D. (2008). An impact analysis of microfinance in Bosnia and Herzegovina. *World Development*, 36(12), 2605- 2619.
- Harri, M., & Raviv, A. (1990). Capital structure and informational role of debt. *Journal of Finance*, 45, 321-349.

- Hartungi, R. (2007). Understanding the success factors of micro-finance institution in a developing country. *International Journal of Social Economics*, 34(6), 388- 401.
- Hashim Hassan. (1992). The competitiveness of Malaysia's small business. *Public Enterprise*, (1-2), 46-62.
- Hermes, N., & Lensink, R. (2007). The empirics of microfinance: What do we know? *The Economic Journal*, 117(517), 1-10.
- Hietalahti, J., & Linden, M. (2006). Socio-economic impacts of microfinance and repayment performance: A case study of the small enterprise foundation, South Africa. *Progress Development Studies*, 6(3), 201-210.
- Hollis, A., & Sweetman, A. (1998). Microcredit: what can we learn from the past? *World Development*, 26(10), 1875-1891.
- Holmstrom, B. (1979). Moral hazard and observability. *Bell Journal of Economics*, 10 (1), 74-91.
- Hopkins, K. D., Glass, G. V., & Hopkins, B. R. (1987). *Basic statistics for the behavioral sciences*. Englewood Cliffs, New Jersey: Prentice-Hall, Inc.

- Hosmer, D., & Lemeshow, S. (2000). *Applied logistic regression* (2nd eds.). New York, USA: Wiley.
- House, W.J. (1984). Nairobi's informal sector: Dynamic entrepreneurs or surplus labour? *Economic Development and Cultural Change*, 32, 277-302.
- Hoque, M.Z. (2000). *Guided industrial credit*. Monash University. Retrieved from <http://www.bizresearchpapers.com/Document4.pdf>.
- Hossain, M. (1988). *Credit for alleviation of rural poverty: the Grameen Bank in Bangladesh*. Research Report; 65. International Food Policy Research Institute in Collaboration with the Bangladesh Institute of Development Studies. February 1988.
- Hossain F., Rees. C., & Millar T.K. (2012). Success factors of microcredit: What can we learn for international development? In *Microcredit and international development: Contexts, achievements and challenges*. New York. USA: Routledge.
- Hudon, M., & Traca, D. (2006). *Subsidies and sustainability in microfinance*. Working Paper WP-CEB 06-020. Universite Libre de Bruzelles, Solvay Business School.

- Hulme, D., & Mosley, P. (1996). *Finance against poverty. Volume 2: Country case studies*. London, UK: Taylor & Francis.
- Hughes, A., & Storey, D.J. (1994). *Finance and the small firm*. London, UK: Routledge.
- Hunte, C. (1993). *Loan default and the efficacy of the screening mechanism: the case of the development bank in Guyana*. Ohio, USA: The Ohio State University.
- IC Consult. (2001). *Financial sustainability of micro saving and credit scheme: three option for multi sectoral NGOs*. Retrieved from [www.cmfnet.org.za/Library.htm](http://www.cmfnet.org.za/Library.htm).
- Inter-American Development Bank. (1997). *Technical guide for the Analysis of Microenterprise Finance Institutions*. Microenterprise Division. Washington D.C.
- Jain, S., & Mansuri, G. (2003). A little at a time: The use of regularly scheduled repayments in microfinance program. *Journal of Development Economics*, 72(1), 253-279.
- Jansson, T., Rosales, R., & Westley, G.D. (2004). *Principles and practices for regulating and supervising microfinance*. New York, USA: Inter-American Development bank.

- Jappelli, T., & Fissel, G.S. (1990). Do liquidity constraints vary over time? Evidence from survey and panel data. *Journal of Money*, 253-262.
- Jay, K. R., Johnston, D., & Widjojo, K. (2007). The Promise and the peril of microfinance institutions in Indonesia. *Bulletin of Indonesian Economic Studies* , 43 (1), 87-112.
- Jensen, C. M. (1986). Agency costs of free cash flow, corporate finance, and takeover. *The American Economic Review* , 76 (2), 323-329.
- Jensen, M., & Meckling, W. (1976), Theory of the firm: Managerial behaviour, agency costs and ownership structure. *Journal of Financial Economics*, 3, 305-360.
- Jiwani, J. (2007). *Sustainable microfinance: the impact of pay for performance on key performance indicators*. (Unpublished Doctoral Dissertation). Argosy University, Chicago, United States.
- Karlan, D., & Gine, X. (2006). *Group versus individual liability: a field experiment in the Philippines*. Working Paper 111. Center for Global Development, Washington, D.C.

- Karlan, D., & Zinman, J. (2009). Observing unobservables: Identifying information asymmetries with a consumer credit field experiment. *Econometrica*, 77(6), 1993-2008.
- Kaplan, S., & Atkinson, A. (1989). *Advanced management accounting*. Englewood Cliffs, New Jersey: Prentice Hall.
- Kashuliza, A.K. (1993). Loan repayment and its determinants in smallholder agriculture: A case study in the southern highlands of Tanzania. *East Africa Economic Review*, 9(1), 22 – 30.
- Keasey, K., & Watson, R. (1993). Banks and small firms: Is conflict inevitable? *National Westminster Bank Review*, London, 30-40.
- Keasey, K., & Watson, R. (1994). The bank financing of small firms in U.K.: Issues and evidence, *Small Business Economics*, 6, 349-362.
- Keller, G., & Warrack, B. (2003). *Statistics for management and economics* (6th eds.). California: Thomson Brooks/Cole.
- Khan, A.A., & Thaut, L. (2010). The opportunities and challenges of Islamic microfinance in G. ter Heer. In Ajaz Ahmed Khan & Philips I. *The*

*influence of faith on Islamic microfinance programmes*. Birmingham, UK: Islamic Relief Worldwide .

Khandker, S.R., Khalily, B., & Khan, K. (1995). *Grameen Bank: performance and sustainability*. World Bank Discussion Paper, 306, The World Bank, Washington, D.C.

Khandker, S.R. ( 2005). Microfinance and poverty: Evidence using panel data from Bangladesh. *The World Bank Economic Review*, 19(2), 263-286.

King, G., Koehane, R., & Verba, S. (1994). *Designing social inquiry: Scientific inference in qualitative research*. Princeton, New Jersey: Princeton University Press.

Kohansal, M.R., & Mansoori, H. (2009). *Factors affecting on 'loan repayment performace of farmers in Khorasan-Razavi Province of Iran*. Working paper in Conference on International Research on Food Security, Natural Resource Management and Rural Development. University of Hamburg. October 2009.

Kon, Y., & Storey, D. (2003). A theory of discouraged borrowers. *Small Business Economics* , 21, 37-49.

- Kono, H. (2006, May). *Academic research repository at the Institute of Developing Economies*. Retrieved from Institute of Developing Economies: <http://hdl.handle.net/2344/128>.
- Krejcie, R.V., & Morgan, D.W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement*, 30, 607-610.
- Kurien, J. (1985). The repayment capacity of small farmers. *Economic Affairs* , 30 (2), 87-97.
- Kurwijila, R., & Due, J.M. (1991). Credit for women's income generation: A Tanzanian case study. *Canadian Journal of African Studies*, 25(1), 90-103.
- Lafontaine, F. (1992). Agency theory and franchising: Some empirical results. *The RAND Journal of Economics* , 23 (2), 263-283.
- Lambert, R. A. (2006). Agency theory and management accounting. In C. Chapman, A. Hopwood, & M. Shields, *Handbooks of Management Accounting Research*. USA: Elsevier, 247-268.
- Landström, H. (1992), The relationship between private investors and small firms: An



agency theory approach. *Entrepreneurship and Regional Development*, 4, 199-223.

Lapenu, C., & Zeller, M., (2001). *Distribution, growth, and performance of the microfinance institutions in Africa, Asia and Latin America: A recent inventory*. Discussion Paper No. 114, Food Consumption and Nutrition Division, International Food Policy Research Institute, Washington, D.C, July 2001.

Lascalles, D., & Mendelson, S. (2009). *Microfinance banana skins 2009: Confronting crisis and change*. New York, USA: Centre for the study of financial innovation.

Leaman, S.H., Cook, T.J., & Stewart, L.S. (1992). Rural economic development: Learning from success. *Economic Development Review*, 104(4), 27-33.

Ledgerwood, J. (1999). *Microfinance handbook: An institutional and financial perspective*. Washington D.C: The World Bank.

Leedy, P., & Ormrod, J.E. (2001). *Practical research: Planning and design*. (7<sup>th</sup> eds.). Upper Saddle River, New Jersey: Prentice Hall.

Levitsky, J. (1993). Credit guarantee funds and mutual guarantee systems. *Small Enterprise Development*, 4(2), 4-15.

- Levitsky, J. (1997). Credit guarantee schemes for SMEs - an international review, *Small Enterprise Development*, 8(2), 4-17.
- Levitsky, J., & Prasad R.N. (1989). *Credit guarantee schemes for small and medium-sized enterprises*. The World Bank Technical Paper No.38, Industry and Finance Series. The World Bank, Washington D.C.
- Llanto, G.M., Garcia.E., & Callanta, R. (1996). *An assessment of the capacity and financial performance of microfinance institutions: the Philippine case*. Discussion Paper 96-12, Philippine Institute for Development Studies, Makati, Philippines.
- Lintz, R.S., Verheij, J., & Brunet, Y.L. (1990). *Strategic assessment of the availability of commercial financing for small-and medium-scale enterprises in Botswana and evaluation of the bureau for private enterprises's loan guaranty facility*, Washington DC: Management Systems International.
- Lofgren, K.G., Persson, T., & Weibull, J.W. (2002). Markets with asymmetric information: The contributions of George Akerlof, Micheal Spence and Joseph Stiglitz. *The Scandinavian Journal of Economics*, 104 (2), 195-211.
- Lycette, M., & White, K. (1989). Improving women's access to credit in Latin America and the Caribbean: Policy and project recommendations, In Berger, M. &

- Buvinic, M. (Eds). *Women's Ventures: Assistance to the Informal Sector in Latin America*. West Hartford. CT: Kumarian Press. 19-44.
- Lyles, M. (1990). A research agenda for strategic management in the 1990s. *Journal of Management Studies*, 4 (27), 363-375.
- Lynch, B. (1996). *Language program evaluation: Theory and practice*. New York, USA: Cambridge University Press.
- Maata, D. (2004). *Examining determinants of group loan repayment in the Dominican Republic*. (Unpublished Master Dissertation). The Ohio State University, United States.
- Madajewicz, M. (1999). *Capital for the poor: The effect of wealth on the optimal credit contract*. Discussion Paper. Columbia University.
- Maddala, G.S. (1990). *Limited-dependent and qualitative variables in econometrics*. Cambridge: Cambridge University Press.
- Maes, J.P., & Reed, L.R. (2012). *State of the microcredit summit campaign report 2012*. Washington D.C, USA: Microcredit Summit Campaign.
- Magill, J.H., & Meyer, R.L. (2005). Microenterprises and microfinance in

Ecuador: Results of the 2004 baseline study of microenterprises. USAID. United States.

Mahmud, A. A (1981). *Malay entrepreneurship: Problem in development - A comparative empirical analysis*, Occasional Paper, No.7, Prime Minister's Department, Malaysia.

Mainsah, E., Heuer, S.R., Kalra, A., & Zhang, Q. (2004). *Grameen Bank taking capitalism to the poor*. Working Paper, Columbia Business School, New York, USA.

Malaysia (1991), *The second outline perspective plan 1991-2000*. Economic Planning Unit, Prime Minister's Department, Kuala Lumpur.

Manski, C. F., & Mcfadden, D. L. (1981). *Structural analysis of discrete data and econometric applications*. Cambridge: The MIT Press.

Mansuri, G., & Jain, S. (2003). A little at a time: the use of regularly scheduled repayments in microfinance programs. *Journal of Development Economics*, 72, 253-279.

Maria, U. (2004). *Essay on the dynamics of microfinance*. (Unpublished Master

Dissertation). University of Maryland College Park, United States.

Marr, A. (2002). Studying group dynamics: An alternative analytical framework for the study of microfinance impacts on poverty reduction. *Journal of International Development*, 14(4), 511-534.

Mason, C., & Harrison, R. (1991), Venture capital, the equity gap and the north-south divide in the United Kingdom, In Green, M. (Eds.), *Venture Capital: International Comparisons*. London, UK: Routledge.

Mason, M. (2010). Sample size and saturation in PhD studies using qualitative interviews. *Forum: Qualitative Social Research* , 11 (3). Retrieved from <http://www.qualitative-research.net/index.php/fqs/article/view/1428>.

Matin, I., Hulme, D., & Rutherford, S. (2002). Finance for the poor: From microcredit to microfinancial services. *Journal of International Development*, 14, 273-294.

McMahon, R., Holmes, S., Hutchinson, P., & Forsaith, D. (1993). *Small enterprise financial management: Theory and practice*. London: Harcourt Brace.

Mead, C.D., & Liedholm, C. (1998). The dynamics of micro and small Enterprises in developing countries. *World Development*, 26(1), 61-74.

- Mel, S.D., McKenzie, D., & Woodruff, C. (2007). Who does microfinance fail to reach? Experimental evidence on gender and microenterprise returns. Retrieved from <http://cpe.ucsd.edu/assets/023/8810.pdf>.
- Menard, S. (2002). *Applied logistic regression analysis* (2<sup>nd</sup> ed.). Thousand Oaks, California: Sage Publications.
- Mendenhall, W., Reinmuth, J.E., & Beaver, R.J. (1993). *Statistics for management and economics*. Belmont, California: Duxbury Press.
- Mersland, R., & Strom, R.O. (2008). Performance and trade-offs in microfinance organizations – does ownership matter? *Journal of International Development*, 20, 598- 612.
- Meyer, R.L. (1991). *Supporting rural non-farm enterprises: What can be learned from donor programs?* Working Paper Series No.91-08. August 1991. Philippine Institute for Development Studies.
- Meyer, R.L. (2001). The demand for flexible microfinance products: lessons from Bangladesh. *Journal of International Development*, 13, 1-18.

Meyer, R., & Nagarajan, G. (1996). *Credit guarantee schemes for developing countries: Theory, design and evaluation*. Report for USAID, African Bureau, Barents Group LLC, Washington D.C.

Microcredit Summit. (2005). *Microfinance and the millennium development goals*. UNCDF.

Midi, H., Sarkar, S., & Rana, S. (2011). Adequacy of multinomial logit model with nominal responses over binary logit model. *Trends in Applied Sciences Research*, 6, 900-909.

Mingguan Malaysia (2009, 13 December). TEKUN kurang dana. 16,000 permohonan tertangguh sebab peminjam liat bayar hutang. Front Page.

Mislan Cokro, Widiyanto, & Ismail. A.G. (2008). *Sustainability of BMT financing for developing micro-enterprises*. MPRA Paper No. 7434. Munich Personal RePEc Archive.

Moh'd Al-Azzam, Hill, R.C. & Sarangi, S. (2012). Repayment performance in group lending: Evidence from Jordan. *Journal of Development Economics*, 97(2), 404-414.

- Morse, J. M. (1991). Approaches to qualitative-quantitative methodological triangulation. *Nursing Research* , 40, 120-123.
- Morse, J. M. (2000). Determining sample size. *Qualitative Health Research* , 10 (1), 3-5.
- Morsman, E. J. (1986). Commercial loan structuring. *Journal of Commercial Bank Lending*, 68(10), 2-20.
- Murdoch, J. (1999). The microfinance promise. *Journal of Economic Literature*, 37(4), 1569-1614.
- Murdoch, J. (1999). The role of subsidies in microfinance: Evidence from Grameen Bank. *Journal of Development Economics*, 60, 229-248.
- Myers, S., & Majluf, N. (1984). Corporate financing and investment decisions when firms have information that investors do not have. *Journal of Financial Economics*, June, 187-222.
- Myers, R. (1990). *Classical and modern regression with application* (2<sup>nd</sup> ed.). Boston Massachusetts: Duxbury.



- Nannyonga, H. L. (2000). *Determinants of repayment behaviour in the Centenary Rural Development Bank in Uganda*. (Unpublished Doctoral Dissertation). The Ohio State University, United States.
- Nanyang Business Review. (2003). *Helping the poor as a profitable business: The story of BRI-Units*. Retrieved from <http://www.markplusinsight.com/in-media-bri.php>.
- Navajas, S., Schreiner, M., Meyer, R.L., Gonzalez-Vega, C., & Rodriguez-Meza, J. (2000). Microfinance and the poorest of the poor: Theory and evidence from Bolivia. *World Development*, 28(2), 333-346.
- Nesbary, D. (2000). *Survey research and the world wide web*. Boston: Allyn and Bacon.
- New Economic Advisory Council. (2010). *New economic model for Malaysia part 1*. Kuala Lumpur: Percetakan Nasional Malaysia Berhad.
- News Strait Times (2009, 10 July). *SME Development in Malaysia*. The News Strait Times.
- Nguyen, C. (2007). *Access to credit and borrowing behaviour of rural households in a transition*. Paper presented at the International Conference in Rural Finance Research Moving Results into Policies and Practices. Rome.

- Njoku, J. E. (1997). Determinants of loan repayment under the special emergency loan scheme (SEALS) in Niger: A case study in Imo state. *African Review of Money Finance and Banking*, 1, 39-51.
- Nikhade, D.M., Shinde, P.S., & Nighot, S.M. (1994). Crop loan repayment behaviour in cotton growers. *Agricultural Banker*, October/December, 13-16.
- Nobelprize. (2007). *Muhammad Yunus – Facts*. Retrieved from [http://www.nobelprize.org/nobel\\_prizes/peace/laureates/2006/yunus-facts.html](http://www.nobelprize.org/nobel_prizes/peace/laureates/2006/yunus-facts.html).
- Noreen, E. (1988). The economics of ethics: A new perspective on agency theory. *Accounting, Organizations, and Society*, 13 (4), 359-369.
- Norhaziah, N. & Mohd Noor, M.N. (2011). The importance of micro financing to the microenterprises development in Malaysia's experience. *Asian Social Science*, 7(12), 226 – 238.
- Norell, D. (2001). How to reduce arrears in microfinance institutions. *Journal of Microfinance*, 3(1), 115- 130.
- Nunan, D. (1992). *Research methods in language learning*. Cambridge: CUP.

- Nwaru, J.C. (2004). *Rural credit market and resource use in Arable Crop Production in Imo State of Nigeria*. (Unpublished Doctoral Disertation). Michael Okpara University of Agriculture, Umudike, Nigeria.
- Nyamsogoro, G. D. (2010) *Financial sustainability of rural microfinance institutions (MFIs) in Tanzania*. (Unpublished Doctoral Disertation ). University of Greenwich, United Kingdom.
- Oakey, R. (1984). *High technology small firms: Regional development in Britain and the United States*. London: Frances Pinter.
- Ojiako, I. A., & Ogbukwa, B. C. (2012). Economic analysis of loan repayment capacity of small-holder cooperative farmers in Yewa North Local Government Area of Ogun State, Nigeria. *African Journal of Agricultural Research* , 7 (13), 2051-2062.
- Oke, J.T.O., Adeyemo, R., & Agbonlahor, M.U. (2007). an empirical analysis of microcredit repayment in Southwestern Nigeria. *Humanity & Social Sciences Journal*, 2(1), 63-74.

- Oladeebo, J.O., & Oladeebo, O.E. (2008). Determinant of loan repayment among smallholder farmers in Ogbomoso Agricultural Zone of Oyo State, Nigeria. *Journal of Social Science*, 17(1), 59-62.
- Olomola, A.S. (2000). *Determinants of smallholder loan repayment performance: evidence from the Nigeria micro-finance system*. Retrieved from <http://www.economics.ox.nc.uk/CSAEadmin/conferences/2000-oiA/pdfpapers/olomola.pdf>.
- Onyenucheya, F., & Ukoha, O. (2007). Loan repayment and credit worthiness of farmers under the Nigerian Agricultural Cooperative and Rural Development Bank (NACRDB). *Agricultural Journal*, 2 (2), 265-270.
- Oppenheim, A. (1992). *Questionnaire design, interviewing and attitude measurement*. London, UK: Pinter Publishers.
- Otero, M., & Rhyne, E. (1994). *The new world of microenterprise finance*. Hartford, CT: Kumarian Press.
- Othman, Abdul Aziz (1984). Finance for small enterprises in a developing economy. *Banker's Journal Malaysia*, October, 51-55.

- Ozdemir, O., & Boran, L. (2004). *An empirical investigation on consumer credit default risk*. Discussion Paper. 2004/20. Turkish Economic Association.
- Pallant, J. (2010). *SPSS survival manual: a step by step guide to data analysis using SPSS* (4<sup>th</sup> ed.). Berkshire, United Kingdom: McGraw Hill.
- Papias, M.M., & Ganesan, P. (2009). Repayment behaviour in credit and savings cooperative societies. Empirical and theoretical evidence from rural Rwanda. *International Journal of Social Economics*, 36(5), 608-625.
- Patton, M. (1987). *How to use qualitative methods in evaluation*. Newbury Park: Sage Publications.
- Patton, M. (1990). *Qualitative evaluation and research methods* (2nd ed.). Newbury park: Sage Publications.
- Paxton, J.A. (1996). *Determinants of successful group loan repayment: An application to Burkina Faso*. (Unpublished doctoral dissertation). The Ohio State University, Ohio, USA.
- Paisley Consulting Sdn Bhd. (2007). *Kajian Keberkesanan Pelaksanaan Program TEKUN* (Final Report). Shah Alam, Selangor.

- Petersen, M.A., & Rajan, R.G. (1994). The benefits of lending relationships: Evidence from small business data. *The Journal of Finance*, 49(1), 3-38.
- Peterson, A.R, Albaum, G., Merunka, D., Munuera, J.L., & Smith, S.M. (2010). Effects of nationality, gender and religiosity on business-related ethically. *Journal of Business Ethics*, 96, 573-587.
- Pettit, R., & Singer, R. (1985)., Small business finance: A research agenda. *Financial Management*, 14(3), 47-60.
- Philpott, T. (1994). Banking and new technology-based small firms: A study of information exchanges in the financing relationship, In Oakey R. (eds.), *New Technology-Based Firms in the 1990s*, London: Paul Chapman, 68-80.
- Pisani, M., & Yoskowitz, D. (2004). Microcredit and micro and small enterprise development in Belize, Central America: A qualitative study of the Small Farmers and Business Bank, Ltd. *Latin America Business Review* , 5 (1), 45-69.
- Pitt, M., & Khander, S. (1996). *Household and intrahousehold impact of the Grameen Bank and similar targeted credit programs in Bangladesh*. Washington DC: World Bank.

Productivity Report (2008). *National Productivity Corporation*. Kuala Lumpur.

Punch, K. F. (2003). *Survey research the basics*. London, UK: Sage Publications Ltd.

Puvenesvary, M., Radziah, A. R., Naidu, S. R., Mastura, B., Noor Fadhilah, M. N., & Noor Hashima, A. A. (2008). *Qualitative research: Data collection & data analysis techniques*. Sintok, Kedah: Universiti Utara Malaysia Press.

Rambabu, P.D., & Eswaran, Y.P. (1994). Factors influencing attitude of the farmers towards farm credit. *Agricultural Banker*, October/December, 25.

Rao, P.S.R.S. (2000). *Sampling methodologies with applications..* Florida. USA: Chapman & Hall/CRC.

Rashid, M., & Townsend, R. (1994). *Targeting credit and insurance: Efficiency, mechanism design, and program evaluation*. World Bank discussion paper #47, Education and Social Policy Department, November 1994.

Reinke J. (1998). How to lend like mad and make a profit: A micro-credit paradigm versus the start-up fund in South Africa. *Journal of Development Studies* , 34 (3), 44 - 61.

- Read, L. (1998). *The financing of small business: A comparative study of male and female business owners*, London, UK: Routledge.
- Reichelstein, S. (1992). Agency. *The New Palgrave Dictionary of Money & Finance*. 2. 23-26.
- Remenyi, J. (2000). Is there a “state of the art” in microfinance? In J. Remenyi & B. Quinones Jr (Eds.), *Microfinance and Poverty Alleviation – Case Studies from Asia and the Pacific*. London: Zed Books.
- Reta, F. K. (2011, August). *Wageningen University*. Retrieved from Wageningen University Web site: <http://edepot.wur.nl/176418>.
- Ritchie, J; Lewis, J., & Elam, G. (2003). Designing and selecting samples. In Jane Ritchie & Jane Lewis (Eds.), *Qualitative research practice. A guide for social science students and researchers* (pp.77-108). Thousand Oaks, California: Sage Publications.
- Rhyne, E.H. (1988). *Small business and SBA loan guarantees subsidizing the weak or bridging a credit gap?* New York: Quorum Books.



Robinson, M.S. (2001). *The microfinance revolution volume 1: Sustainable finance for the poor*. Washington, D.C: The World Bank.

Robinson, M.S. (2002). *The microfinance revolution volume 2: Lesson from Indonesia*. Washington, D.C: The World Bank.

Rodriguez, C.R. (1995). *Women, microenterprise and the politics of self-help*. New York: Garland Publishing, Inc.

Roodman, D. (2006). *Microfinance as business*. Center for Global Development, ABN-AMRO.

Roslan, A.H., Faudziah, Z.A., Mohd Saifoul, Z.N., & Rahimah, M. (2007). Microfinance service for micro-enterprise: Good practices and performance of selected microfinance institutions in Malaysia. *Journal of Yala Rajabhat University*, 2(1), 31-45.

Roslan, A.H., & Mohd Zaini, A. K. (2009). Determinants of microcredit repayment in Malaysia: the case of Agrobank. *Humanity & Social Sciences Journal*, 4(1), 45-52.

- Ruane, M.C.M. (2007). Small-scale business enterprises in the Philippines: Survey and empirical analysis. *International Journal of Entrepreneurship*, 11, 119-131.
- Rubin, A., & Babbie, E. R. (2011). *Research methods for social work* (7th ed.). California: Brooks/Cole Cengage Learning.
- Saam, N. J. (2007). Asymmetry in information versus asymmetry in power: Implicit assumptions of agency theory. *Journal of Socio-Economics* , 36 (6), 825-840.
- Sadoulet, L. (1997). *The role of mutual insurance in group lending*. ECARE. Working Paper.
- Saleh, S.A., & Ndubisi, O.N. (2006). An evaluation of SME development in Malaysia. *International Review of Business Research Papers*, 2(1), 1-14.
- Sandelowski, M. (1995). Focus on qualitative methods: Sample sizes in qualitative research. *Research in Nursing & Health* , 18, 179-183.
- Sangoro, O., Ochieng, P., & Bureti, P. (2012). *Determinants of loan repayment among women-owned enterprise in Kenya: A case of Eldoret Municipality*. German: Lambert Academic Publishing.

Saunders, M., Lewis, P., & Thornhill, A. (2007). *Research methods for business students* (4th ed.). London: Prentice Hall.

Scarborough, N.M. & Zimmerer, T.W. (1984). *Effective small business management*, Ohio: Charles E. Merrill Publishing Company.

Schwab, J. A. (2012, May 27). *The University of Texas at Austin*. Retrieved from The University of Texas at Austin Web Site: <http://www.utexas.edu/courses/schwab/sw388r7/SolvingProblems/>

Schoombee, A. (2000). Getting South African bank to serve micro-entrepreneurs: An analysis of policy options. *Development Southern Africa*, 17(5), 751- 767.

Schreiner, M. (2000). Ways donors can help the evolution of sustainable microfinance organizations. *Savings and Development*, 24, 423-37.

Seibel, H.D. (1995). Credit guarantee schemes in small and microenterprise finance: Do they really do more good than harm?: The case of Philippines. *Journal of International Agriculture*, 34(2), 171-179.

Seibel, H.D. & Parhusip, U. (1998). *Microfinance in Indonesia: An assessment of microfinance institutions banking with the poor*. Economics & Sociology

Occasional Paper No. 2365. Rural Finance Program, Department of Agricultural Economics, The Ohio State University, USA, Columbus.

Seibel, H.D. & Parhusip, U. (1999). *Attaining Outreach with Sustainability – A Case Study of a Private Microfinance Institution in Indonesia.* , Working paper / University of Cologne, Development Research Center, No. 1999,2.

Seibel, H.D. (2005). The microbanking division of Bank Rakyat Indonesia: A flagship of rural microfinance in Asia. In M. Harper & S. Arora (Eds), *Small customers, big market: Commercial banks in microfinance.* Rugby: ITDG Publications.

Sekaran, U. (2003). *Research methods for business a skill building approach* (4th ed.). New York: John Wiley & Sons.

Servon, L.J. (1997). Microenterprise in the U.S inner cities: economic development or social welfare? *Economic Development Quarterly*, 11(2), 166-180.

Shaw, J. (2004). Microenterprise occupation and poverty reduction in microfinance programs: Evidence from Sri Lanka. *World Development*, 32(7), 1247-1264.

Sharma, M., & Zeller, M. (1997). Repayment performance in group based credit programmes in Bangladesh. *World Development*, 25(10), 1731-1742.

- Silwal, A.R. (2003). *Repayment performance of Nepali Village Banks*. (Unpublished Master Dissertation). Swarthmore College, Swarthmore.
- Sirola, P. (1992). *Beyond survival: Latino immigrant street vendors in the Los Angeles informal sector*. Los Angeles: XVII International Congress of the Latin American Studies Association.
- Smallbone, D. (1990). Success and failure in new business start-ups. *International Small Business Journal*, 8(2), 34-47.
- SMEcorp (2004). *SME Performance 2003 Report*. Kuala Lumpur: Percetakan Nasional Malaysia Berhad.
- Social Economic Unit (1991). *National implementation of agenda 21*. Economic Planning Unit. Kuala Lumpur.
- Spence, A. M., & Zeckhauser, R. (1971). Insurance, information, and individual action. *American Economic Review*, 61, 380-387.
- Sridhar, M. S. (2010). *A Guide to sampling, scaling and data collection methods*. Raleigh, N.C: Lulu Publication.

- Stake, R.E. (1995). *The art of case study research*. Thousand Oaks, California: Sage Publications
- StarBiz. (2009, 27 March). Ramon: SMEs in need of comprehensive plan-Nation lacks strategy to help sector weather crisis. *The Star*.
- StarBiz. (2010, 2 June). CGC: NPLs of SMEs on high side. *The Star*.
- Starkweather, J., & Moske, A. (2012, September 7). *University of North Texas*. Retrieved from University of North Texas Web Site: [http://www.unt.edu/rss/class/Jon/Benchmarks/MLR\\_JDS\\_August2011.pdf](http://www.unt.edu/rss/class/Jon/Benchmarks/MLR_JDS_August2011.pdf).
- Steinwand, D. (2001). *The alchemy of microfinance*. Germany, Berlin: FWF.
- Sterns, K. (1991). *Interest rates and self sufficiency*. GEMINI Technical note. ACCION International, New York.
- Stearns, K. (1993). *Leverage or loss? Guarantee funds and microenterprise*, ACCION International Monograph Series No.8, Cambridge, Massachusetts.
- Sterns, K. (1995). *The hidden beast: delinquency in micro enterprise credit*

*programme*. ACCION Discussion Thesis Document No.6.

Stewart, C.J., & Cash, Jr. W.B. 2003. *Interviewing: Principles and practices*. (10<sup>th</sup> ed.).  
Boston: McGraw Hill.

Stiglitz, J., & Weiss, A. (1981). Credit rationing in markets with imperfect information.  
*The American Economic Review* , 71 (3), 393-410.

Stiglitz, E.J. (1990). Peer monitoring and credit markets. *The World Bank Economic Review*, 4(3), 351-366.

Stiglitz, E.J. (1992). Principal & agent. *The New Palgrave Dictionary of Money & Finance*. 2. 185-190.

Storey, D.J. (1994). *Understanding the small business sector*. London: Routledge.

Storey, D.J., Keasey, K., Watson, R., & Wynarczyk, P. (1987), *The performance of small firms: profits, jobs and failures*. London: Croom Helm.

Storey, D.J., Watson, R., & Wynarczyk (1989). *Fast growth small business: Case studies of 40 small firms in Northern England*. Research Paper No.67, Department of Employment. London, UK.

- Suharto, P. (1985). *Mengenai Bank Perkreditan Rakyat di Indonesia*. Jakarta: Lembaga Pengembangan Perbankan Indonesia.
- Suraya Hanim Mokhtar. (2011). *Microfinance performance in Malaysia*. (Unpublished doctoral dissertation). Lincoln University, New Zealand.
- Tabachnick, B.G. & Fidell, L.S. (1996). *Using multivariate statistics*. (3<sup>rd</sup> ed.). New York: Harper Collins.
- Tambunan, T. (2007). Entrepreneurship development: SMES in Indonesia. *Journal of Developmental Entrepreneurship*, 12(1), 95-118.
- Taylor, S., & Bogdan, R. (1998). *Introduction to qualitative research methods* (3rd ed.). New York: John Wiley & Sons.
- Tedeschi, G.A. (2006). Here today, gone tomorrow: can dynamic incentives make microfinance more flexible? *Journal of Development Economics*, 80, 84-105.
- Tedeschi, G. A. (2008). Overcoming selection bias in microcredit impact assessments: a case study in Peru. *Journal of Development Studies*, 44(4), 504-518.



Tekun Nasional (TN). (2009). *Quarterly Reports*. (Unpublished Document). Tekun Nasional, Malaysia.

Tekun Nasional (TN). (2010). *Quarterly Reports*. (Unpublished Document). Tekun Nasional, Malaysia.

Tekun Nasional (TN). (2011). *Quarterly Reports*. (Unpublished Document). Tekun Nasional, Malaysia.

Tekun Nasional (TN). (2012). *Quarterly Reports*. (Unpublished Document). Tekun Nasional, Malaysia.

Tesfaye,G.B. (2009) *Econometric analyses of microfinance credit group formation, contractual risks and welfare in Northern Ethiopia*. (Unpublished doctoral dissertation). Wageningen University, Wageningen, the Netherlands.

The Global Journal. (2013). *Top 100 NGOs 2013*. Retrieved from <http://theglobaljournal.net/group/top-100-ngos/>.

The Hadith of Muhammad. Retrieved from <http://www.balaams-ass.com/alhaj/bukhar41.htm>.

- Thomas, R. (2003). *Blending qualitative & quantitative research methods in theses and dissertations*. Thousand Oaks, California: Sage Publications.
- Turvey., G.C. (1991). Credit scoring for agricultural loans: a review with applications. *Agricultural Finance Review*, 51, 43-54.
- Tuyon, J., Mohammad, S.S.J., & Ali. R. (2011). The role of microfinance in development of micro enterprises in Malaysia. *Business & Management Quaterly Review*, 2(3), 47 – 57.
- UNCDP. (2005). *Core performance indicators for microfinance*. United Nations Capital Development Fund.
- United States Agency for Internaional Development (1992), *Application for small business loan portfolio guarantee*. Washington, DC: USAID.
- Ugbomeh, G.M.M., Achoja, F.O., Ideh, V., & Ofuoku, A.U. (2008). Determinants of loan repayment performance among women self help groups in Bayelsa State, Nigeria. *Agriculturae Conspectus Scientificus*, 73(3), 189-195.
- United Kingdom (1994), *Small firms in Britain report 1994*. Department of Trade and Industry, London.

- Utusan Malaysia. (2008, 16 December). Penjamin, cagaran tidak sesuai lagi jadi syarat pinjaman.
- Vanroose, A. (2007). *Microfinance: are its promises ethically justified*. Working Paper. Universite Libre de Bruxelles, Solvey Business School, Centre Emile Bernheim.
- Varian, H.R. (1990). Monitoring agents with other agents. *Journal of Institutional and Theoretical Economics*, 146, 153-174.
- Vigano, L. (1993). A credit scoring model for Development Banks: An African case. *Savings and Development*, XVII (4), 441-482.
- Vigenina, D., & Kritikos, A.S. (2004). The individual micro-lending contract: Is it a better design than joint-liability? Evidence from Georgia. *Economic Systems*, 28, 155-176.
- Von Pischke, J.D. (1992). RoSCAs: State of the Art Financial Intermediation, in D. W Adams and D.A. Fitchett. *Informal Finance in Low-Income Countries*, Boulder. Westview.
- Vyakarnam, S. & Jacobs, R. (1991). *How bank managers construe high technology entrepreneurs*. Paper presented at the National Small Firms Policy and

Research Conference, Lancashire Enterprises Ltd/Manchester Business School.

Webb, E., & Roberts, K. (1969). Unconventional uses of content analysis in social sciences. In G. Bergner, *The Analysis of Communications Content: Development in Scientific Theories and Computer Techniques* (pp. 319-332). New York: Wiley.

Webb, E., Campbell, D., Schwartz, R., & Sechrest, L. (1966). *Unobtrusive measure: Non-reactive research in the social sciences*. Chicago: Rand McNally.

Webster, L., & Fidler, P. (1996). *The informal sector and microfinance institutions in West Africa*. World Bank. Washington. 21-42.

Weinberg, J.A. (1994). Firm size, finance, and investment. *Federal Reserve Bank of Richmond Economic Quarterly*, 80(1), 19-40.

Weiss, A. & Stiglitz, J.E. (1981). Credit rationing in markets with imperfect information. *American Economic Review*, 71(3), 393-410.

Wilson, R. (1968). On the theory of syndicates. *Econometrica*, 36, 119-132.

Wenner, M. (1995). Group credit: a means to improve information transfer and loan repayment performance. *Journal of Development Studies*, 32, 263-281.

- Wolfe, M. (1981). *Elusive Development*. United Nation Research Institute for Social Development (UNRISD). Geneva.
- Woller, G., Gloria W., & Nathan C. (1999). A survey of evaluation practices in microcredit institutions. *Journal of Developmental Entrepreneurship*, 4, 59-80.
- Woller, G., & Parsons, R. (2002). Assessing the community economic impact of microfinance institutions. *Journal of Developmental Entrepreneurship*, 7(2), 133-150.
- Woolcock, M.J.V. (1999). Learning from failures in microfinance: what unsuccessful cases tell us about how group-based programs work. *American Journal of Economics and Sociology*, 58, 17-42.
- World Bank. (2013). Indonesia's rural financial system: the role of the state and private institutions. *Microfinance Case Study Indonesia*. Retrieved from [http://siteresources.worldbank.org/INTPGI/Resources/342674-1206111890151/Microfinance\\_Indonesia.pdf](http://siteresources.worldbank.org/INTPGI/Resources/342674-1206111890151/Microfinance_Indonesia.pdf)
- Wright, K. (2002). *Qualitative data collection for impact assessment: getting the questionnaire right*. Bath, UK: University of Bath.

- Wydick, B. (1999). Can social cohesion be harnessed to repair market failures? Evidence from group lending in Guatemala. *The Economic Journal*, 109, 463-475.
- Yayasan Usaha Maju. (2005). *Financial achievement report*. Retrieved from <http://www.sabah.gov.my/yum/>.
- Yayasan Usaha Maju (YUM). (2009). *Yayasan Usaha Maju notes*. Kota Kinabalu, Sabah.
- Yaron, J. (1992). *Successful rural finance institutions*. World Bank. Discussion Paper. No. 150. Washington.
- Yaron, J. (1994). What makes rural financial markets successful? *World Bank Research Observer*, 9(1), 49-70.
- Yin, R.K. (2003). *Case study research: Design and methods* (3<sup>rd</sup> eds.). Thousand Oaks, California: Sage Publications.
- Yunus, M. (1994). *Banking on the poor*, Dhaka: Grameen Bank.
- Yunus, M. (1998). Poverty alleviation: Is economics any help? lessons from the Grameen Bank experience. *Journal of International Affairs*, 52(1), 47-65.

- Yunus, M. (1999). *Banker to the poor*. The autobiography of Muhammad Yunus, founder of Grameen Bank., London: Aurum Press Limited.
- Yunus, M. (2001). Towards creating a poverty-free world. In Hossain, F. and Rahman, Z., eds. (2001). *Microfinance and Poverty: Contemporary Perspectives*. (pp 21-41). Tampere: University of Tampere: Department of Administrative Sciences.
- Yunus, M. & Weber, K. (2010). *Building social business: The new kind of capitalism that serves humanity's most pressing needs*. United States, New York: PublicAffairs.
- Zapalska, A.M., Brozik, D., & Rudd, D. (2007). The success of micro-financing. *Problems and Perspectives in Management*, 5(4), 84-91.
- Zeller, M. (1995). The demand for financial services by rural households - Conceptual framework and empirical findings. *Quarterly Journal of International Agriculture*, 34(2), 149-170.
- Zeller, M. (1998). Determinant of repayment performance in credit groups: The role of program design, intragroup risk pooling, and social cohesion. *Economic Development and Cultural Change*, 46(3), 599-621.
- Zeller, M., & Meyer, R.L. (2002). *The triangle of microfinance: Financial,*

*sustainability, outreach, and impact.* Johns Hopkins University Press in collaboration with the International Food Policy Research Institute (IFPRI), Baltimore and London.

Zeller, M., & Johannsen, J. (2006). *Is there a difference in poverty outreach by type of microfinance institution? The Case of Peru and Bangladesh.* Paper presented at the Global Conference on Access to Finance: Building Inclusive Financial Systems. Washington D.C: The World Bank and Brookings Institutions.