

Effect of Financial Inclusion and Access to Savings on Wealth Creation by Small and Medium Scale Enterprises in Oyo State, Nigeria

Opadijo Olutunji¹, Adeyemo Folasade. I.², Olayiwola Michael Adeyemi³, Oyeranmi Akinloye O⁴

Ladoke Akintola University of Technology Teaching Hospital, Ogbomoso, Oyo State Nigeria.

*Corresponding Author: Opadijo Olutunji

DOI: <https://doi.org/10.5281/zenodo.17535022>

Article History	Abstract
Original Research Article	<i>This research explores how financial inclusion and access to savings influence wealth creation among small and medium-sized enterprises (SMEs) in Oyo State, Nigeria. Grounded in the finance-growth theory, the study adopted a survey research design and relied on primary data collected from 305 SMEs operating within the state. Both simple and multiple regression analyses were employed to assess the relationships among the variables. The results revealed that access to savings significantly and positively impacts wealth creation ($\beta = 0.482$, $t = 8.780$, $F(1, 305) = 77.090$, $p < 0.05$). The study concludes that inadequate access to savings facilities can hinder SMEs' growth and limit their ability to achieve financial sustainability. The findings highlight the pivotal role of financial inclusion particularly access to savings in promoting wealth creation and supporting the growth of SMEs in emerging economies such as Nigeria.</i>
Received: 20-10-2025	
Accepted: 03-11-2025	
Published: 05-11-2025	
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Citation: Opadijo Olutunji, Adeyemo Folasade. I., Olayiwola Michael Adeyemi, Oyeranmi Akinloye O. (2025). Effect of Financial Inclusion and Access to Savings on Wealth Creation by Small and Medium Scale Enterprises in Oyo State, Nigeria. UKR Journal of Multidisciplinary Studies (UKRJMS), volume 1(9), 1-9.	Keywords: Financial Inclusions, Wealth creation, Access to Savings, Small Medium Scale, Enterprises

1.1 Introduction

Wealth creation had become the key objective of business organisations in the contemporary age due to the importance of wealth creation to business organization, individuals and government at all levels. (Córdova-Aguirre & Ramón-Jerónimo 2024, Mittal et al 2024).

Wealth creation plays a vital role in ensuring business sustainability, improving individuals' living standards, and enhancing government tax revenues. According to Adibeli and Amahalu (2023), wealth creation involves investing in diverse asset classes that not only meet essential needs but are also self-sustaining, generating consistent income and enabling businesses to achieve their objectives.

In essence, wealth creation reflects a state of prosperity. The capacity of a business to generate wealth largely determines its continuity and long-term success (Nasser et al., 2025; Aulia et al., 2025). Ternenge et al. (2020) further emphasized that wealth creation contributes to improved quality of life and greater autonomy for business owners. It also promotes enterprise development from small and medium-sized businesses to large-scale and multinational organizations creates employment opportunities, stimulates

national economic growth, and increases government tax revenue.

Effective wealth creation typically begins with seed investment, enabling individuals or enterprises to diversify their portfolios and accumulate capital for future investments. As SMEs grow, their owners can reinvest profits into other ventures, thereby expanding their operations and market reach. However, no wealth creation effort can succeed without adequate financial resources. Investment serves as the cornerstone of wealth creation—without investment, wealth generation is impossible.

Financial inclusion and access to savings are crucial in providing the financial foundation necessary for business growth. Mhlanga (2020) defined financial inclusion as a condition in which individuals, businesses, and communities have equitable access to affordable and beneficial financial products and services that address their needs, including payments, deposits, savings, credit, and insurance, delivered responsibly and sustainably. Through financial inclusion, SMEs gain access to savings accounts, credit facilities, insurance services, electronic payments,

and other banking products essential for business development and financial resilience.

SMEs in the past used to find it difficult to open a savings account with all these conventional banks due to their tight requirement that this categories of business may not be able to meet. Therefore, they are left out financial services render by these conventional banks, furthermore they find it difficult to raise capital for the running of the business. Since means fund is cardinal to how much wealth an organization will create this SMEs are not being able to create wealth for the stakeholders as they are supposed to do.

Winful et al. (2022) emphasized that financial inclusion is closely linked to economic prosperity and income generation, as it helps reduce poverty, minimize income inequality, and lessen the reliance on informal or indigenous banking systems. Wealth creation requires investment, and investment cannot occur without savings. Therefore, savings play a foundational role in enabling businesses to finance productive ventures.

Jamison et al. (2014) noted that when formal savings instruments are either unavailable or too costly, individuals particularly those in low-income groups resort to informal savings methods such as keeping money at home, joining savings groups, or investing in livestock. The study further explained that increasing one's income is the only alternative to boosting savings. Moreover, early accumulation of savings can serve as initial capital for income-generating activities with high potential returns. Similarly, Kast and Pomeranz (2014) found that access to free formal savings accounts reduces individuals' reliance on short-term borrowing. Savings and credit act as substitutes for debt-based self-insurance, as people prefer borrowing less when they can easily save through formal financial institutions. However, the availability of savings products is often hindered by market inefficiencies such as high transaction costs, limited trust in financial institutions, and restrictive regulations. Empirical evidence shows that access to funds facilitates both initial and subsequent investments, ultimately contributing to wealth creation.

This study seeks to determine whether access to savings, as an element of financial inclusion, positively influences wealth creation among small and medium-sized enterprises (SMEs) in Oyo State, Nigeria. Although the primary goal of any business is to generate wealth for its owners, many SMEs in Nigeria have fallen short of achieving this objective. Consequently, the potential economic benefits of the SME sector remain underutilized. In many developed economies, SMEs serve as catalysts for industrialization and economic transformation. However, in Nigeria, inadequate access to financial services has constrained their ability to achieve similar outcomes.

Arias et al. (2024) asserted that SMEs are critical drivers of economic growth and transformation across both developed and developing countries. They play key roles in employment generation, trade, and industrial diversification. For SMEs to thrive, however, sufficient financial resources are essential, as the establishment and sustainability of any business fundamentally depend on access to funding. Kalunga (2017) also observed that improving access to financial services has long been recognized as a central strategy for alleviating poverty in developing economies.

By examining the impact of financial inclusion specifically access to savings on wealth creation among selected SMEs in Oyo State, Nigeria, this study aims to fill a research gap left by previous investigations. The central research question guiding this inquiry is: How does access to savings influence wealth creation among small and medium-sized enterprises?

1.2 Objective of the Study

The main objective of this study is to evaluate the effect of access to savings on wealth creation among small and medium-sized enterprises (SMEs).

1.3 Hypothesis of the Study

H₀: Access to savings has no significant effect on wealth creation among small and medium-sized enterprises.

2.0 Conceptual Review

2.1 Financial Inclusion

Financial inclusion refers to the process of ensuring that individuals and businesses particularly those in vulnerable or low-income groups have affordable and convenient access to a broad range of financial services. Traditionally, many institutional financial bodies have excluded these groups due to perceived business risks, conservative lending practices, and high borrowing costs.

The World Bank (2018) defines financial inclusion as the process through which all households and enterprises, irrespective of their income level, can access and effectively utilize appropriate financial products and services that enhance their economic well-being. This definition implies that certain groups remain financially excluded, especially within developing economies.

Babajide et al. (2020) described financial inclusion as a strategy aimed at granting all individuals, particularly those who are economically disadvantaged, access to essential financial services. In a related view, Winful et al. (2022) asserted that financial inclusion fosters economic growth and prosperity by reducing poverty, narrowing income disparities, and decreasing dependence on informal or indigenous banking systems. The study further emphasized

that inclusive financial systems can dismantle the monopolistic power often held by traditional financial institutions.

Mhlanga (2020) defined financial inclusion as a condition where individuals, businesses, and communities have equitable access to beneficial and affordable financial services tailored to their needs—such as payments, withdrawals, savings, credit, and insurance—provided responsibly and sustainably.

Financial inclusion encompasses more than access to banking; it includes access to credit at reasonable interest rates, financial education, insurance, and efficient payment systems. Florian and Alexandra (2018), citing Demirgüç-Kunt and Klapper (2013) and Bruhn and Love (2014), observed that by empowering individuals to invest in health, education, and productive ventures, financial inclusion can significantly promote development and reduce poverty.

Similarly, Ernest (2021) explained that financial inclusion enhances prosperity and economic progress by mitigating poverty, reducing inequality, and weakening the dominance of informal financial systems. He further identified three key pillars of financial inclusion access, efficiency, and stability which collectively contribute to economic growth by fostering inclusive financial participation.

Ernest (2021) argued that, individuals from marginalized groups are included in countries with developed financial systems and are not excluded. Making the financially excluded individuals included is necessary for a nation's economy to grow. Koomson and Danquah (2021) explained that, financial inclusion enables households to make forward-thinking investments, sustain consumption levels over time, and endure economic shocks, all of which increase household income and decrease inequality and poverty. People and organizations save money for future costs including stock purchases, company expansion, education, health care, retirement, and unexpected emergencies. Investments in health, education, stock purchases, and business expansion are encouraged by having access to savings accounts and credit. By allocating financial resources to worthwhile projects, financial inclusion thereby improves wealth generation.

2.2 Access to Savings

Savings are necessary before investing; a company that lacks savings will be unable to finance investments. Jamison et al (2014), stated that when formal savings products are unavailable or unaffordable, the poor often save under mattresses, in informal groups, and/or in livestock. Jamison et al (2014), explained that if people are not expanding their borrowing or their claims on household resources, an increase in incomes will raise savings.

Increasing one's income is another way to enhance savings. Furthermore, early accumulation of savings can serve as seed capital for income-generating ventures with high potential returns. **Kast and Pomeranz (2014)** found that access to free formal savings accounts helps reduce individuals' reliance on short-term debt. Their study revealed that savings and credit can act as substitutes for borrowing as a form of self-insurance, and participants were less inclined to borrow when they had access to such accounts.

Similarly, Karlan et al. (2014) argued that savings play a crucial role in helping households manage their expenditures and invest in profitable opportunities, including human capital development and business ventures. However, many individuals particularly those in low-income settings encounter significant barriers to saving.

The availability of savings products is often limited by market inefficiencies such as high transaction costs, lack of trust in financial institutions, and stringent regulatory frameworks. Recent empirical findings suggest that improved access to financial resources encourages both initial and subsequent investments, thereby promoting wealth creation and long-term economic growth.

2.3 Wealth Creation

Wealth creation is the ability of an individual or a business organization to make more wealth with the resources available to that individual or business organization. Wealth is defined as a collection of transferable, useful, and limited-edition items that help fulfill human aspirations. This is done through enabling growth and the employment of new opportunities, access to finance helps small and medium-sized enterprises prosper and create more wealth.

Ternenge et al (2020), defined wealth creation as the process of accumulating significant resources and assets for personal betterment. They further stated that an entrepreneur's contribution to wealth creation (or revenue generation) takes the shape of value contributed. That indicates that anything (useful) already has some worth and that our actions will increase its value.

Financial inclusion encourages income generation by giving the underprivileged access to flexible loan and saving options and the chance to earn interest on their savings. Unlike formal financial organizations, which exclusively offer insurance services to the wealthy and where account holders struggle to obtain loans, pay fees for maintaining accounts, and receive little or no interest on money kept in bank. This is accomplished through obtaining loans, which members can use to buy tangible property, carry out income-generating activities, and ultimately raise the value of their wealth.

Winful et al (2022) explained that financial inclusion is connected to prosperity and income generation by reducing poverty, unequal income distribution, and the dominance of indigenous bankers. Assets must be invested in order to develop wealth since without investment, nothing will be produced. The fund that will be invested will be a resource that is scarcely available.

Wealth creation is most effective when initiated with a seed investment that enables individuals or entrepreneurs to diversify their investments and gradually accumulate capital for future ventures. As small and medium-sized enterprises (SMEs) expand, business owners gain the capacity to reinvest their profits into other sectors, thereby broadening their operational scope and enhancing the overall sustainability and growth potential of their enterprises.

In the previous studies it has been established that, a major factor hampers the growth of small businesses is lack of capital or financial resources. So anything that hinder the growth of small businesses will by extension hinder the wealth creation of those that were financially excluded.

2.4 Theoretical Review

Finance-Growth Theory

The finance growth theory was originally proposed by Bagehot (1873). The theory asserts that an efficient financial system promotes economic growth and reduces poverty (Ugwuoke et al., 2024). It emphasizes the finance growth nexus, suggesting that financial intermediaries play a crucial role in fostering economic development and sustainability through three main channels: the supply-leading, demand-leading, and hybrid hypotheses (Ugwuoke et al., 2024).

According to the supply-leading hypothesis, the development of a sound financial system serves as a key driver of economic growth by facilitating the efficient allocation of resources, thereby contributing directly to poverty reduction (Hurlin & Venet, 2008). In contrast, the demand-leading hypothesis posits that financial system development is a response to economic growth rather than its cause; in other words, as the economy expands, the demand for financial services increases, leading to improvements within the financial sector (Bagehot, 1873).

The hybrid hypothesis, on the other hand, suggests a bidirectional causal relationship between financial development and economic growth each reinforcing the other (Hurlin & Venet, 2008). This implies that the growth of the financial sector both stimulates and is stimulated by broader economic expansion.

In practical terms, the theory advocates that financial resources should be directed toward productive sectors

where they are most needed, rather than being allocated based on the discretion of financial institution executives. The supply-leading argument challenges the demand-following view by asserting that the financial system actively drives growth, while the demand-following perspective contends that the financial system merely responds to developments in the real economy (Babajide et al., 2015).

Debate continues among scholars regarding the exact role of financial intermediaries in economic growth. Some researchers consider the impact of financial systems on economic development to be marginal, while others argue that they play a significant and indispensable role in promoting investment, innovation, and sustainable growth.

Notwithstanding, Goodhart and Jensen (2015) explained that the core of the dispute between the "Banking School" and the "Currency School" The proponents of the Banking School believed that in order to prevent a "mismatch" and consequent bank run, liabilities and receivables should be coherent. The quality of a financial intermediary's assets, or term and risk, must match that of its obligations in order for it to succeed in the game.

Evidence suggests that having access to a safe, convenient, and reasonably priced source of financial services is recognized as a necessary condition for boosting economic activity, growth, lowering income inequality, lowering the poverty level, improving the economic and social integration of the economically and socially excluded segment of the economy, and shielding the financially excluded segment from economic shock (Ogidi and Pam 2021, Ejiofor et al 2020, Babajide et al 2020).

2.4 Empirical Review

Tran and Le (2021) examined the effect of financial inclusion and related variables on poverty reduction using a two-stage least squares (2SLS) and generalized method of moments (GMM) panel regression approach. Their study utilized data from 29 European countries between 2011 and 2017 and applied principal component analysis (PCA) to construct a financial inclusion index. The results revealed that financial inclusion significantly reduces poverty, highlighting its crucial role in promoting economic welfare. Consequently, the authors recommended policies aimed at enhancing financial literacy and expanding access to financial products. However, the study's reliance on secondary data limited its ability to capture individuals' perceptions and real-time experiences of financial inclusion within those countries. Additionally, because the research was conducted in Europe, its findings may not be directly applicable to the Nigerian context, where cultural, political, and economic conditions differ substantially.

Mhlanga (2020) investigated the relationship between financial inclusion and poverty reduction within the small-scale agricultural sector in Manicaland Province, Zimbabwe. The study employed a questionnaire-based survey and analyzed data using various econometric models, including logistic regression, multinomial logistic regression, and multiple regression analysis. Financial inclusion was measured through five key indicators—access, availability, usage, cost, and quality. The findings demonstrated that increased financial inclusion correlates with reduced poverty levels, with access to transaction accounts and savings emerging as the most significant factors. Although the results underscore the positive link between financial inclusion and poverty reduction, the study was limited to Zimbabwe's agricultural sector, restricting its generalizability. Furthermore, while Mhlanga (2020) focused on five dimensions of financial inclusion, the present study will concentrate on access to savings, credit, e-payment, and insurance, which are more relevant to the Nigerian SME sector.

Winful et al. (2022) analyzed the relationship between financial inclusion and economic development in Africa using panel data from 41 African countries covering the period 2000–2017. The generalized method of moments (GMM) was employed to estimate the model, with financial inclusion represented by three dimensions financial access, financial stability, and financial efficiency and economic development measured by Gross Domestic Product (GDP). The study found that among the three dimensions, financial access was the most significant determinant of economic development. It also revealed that some countries, such as South Africa and Seychelles, have relatively higher levels of financial inclusiveness. However, the study's reliance on institutional secondary data meant that the perspectives of financially excluded populations were not captured. Additionally, since the study was continental in scope, its findings cannot be directly generalized to Nigeria due to contextual differences in institutional and financial structures.

Eton et al. (2019) explored the role of financial inclusion in promoting economic growth in Uganda, focusing on selected districts in the western region. The researchers employed a cross-sectional survey design that combined quantitative and qualitative methods. Using simple random and purposive sampling, data were collected from 194 respondents. Findings indicated that financial inclusion significantly supports economic growth by promoting equitable distribution of resources, capital formation, and access to financial services that meet people's needs. Although Uganda's poverty rate appeared to decline, the study noted disparities between national income growth and household income levels. The authors recommended that

the Ugandan government review its trade and investment policies to enhance inclusive economic development. Nonetheless, the study focused broadly on economic growth without distinguishing sectoral differences some sectors may experience substantial gains from financial inclusion, while others may not. This limitation justifies the need for the present study, which focuses specifically on SMEs in Nigeria.

Sakanko (2020) examined the relationship between financial inclusion and women's participation in gainful employment in Nigeria. Using the autoregressive distributed lag (ARDL) model and secondary data from 1980 to 2018, the study found a positive long-run and short-run relationship between financial inclusion and women's engagement in formal employment. It recommended that the government remove barriers hindering women's access to financial services and reduce reliance on informal financial systems. However, the study's focus on women alone excluded men who also participate in small and medium-scale enterprises, creating a gender-based limitation. Furthermore, by depending solely on secondary data, the study failed to incorporate the perspectives of financially excluded individuals, which are essential to understanding the true impact of financial inclusion.

3.1 Methodology

Research Design

This study adopted a survey research design and utilized a quantitative approach for data collection and analysis. The choice of this design was informed by its suitability for describing the characteristics of a population and identifying relationships among variables at a specific point in time. It also allows for the collection of standardized data directly from respondents, thereby ensuring objectivity and reliability in the findings.

Population of the Study

The population of the study comprised all small and medium-sized enterprises (SMEs) operating in Oyo State, located in the southwestern region of Nigeria. Oyo State was selected because it hosts a large concentration of SMEs, making it a suitable representation of the broader SME landscape in Nigeria.

Sampling Technique and Sample Selection

The study employed the expert sampling method, a type of purposive sampling technique, to select participants. This technique was considered appropriate because it allows the researcher to target respondents who possess specific knowledge or experience relevant to the research problem, particularly when the population is difficult to reach.

Only businesses that had been in operation for a minimum of three years were included in the sample. This inclusion

criterion was based on Fatoki (2014), who argued that firms with at least three years of operational experience are more likely to have achieved a certain level of stability necessary for reliable assessment. Furthermore, the U.S. Small Business Administration (2013) reported that approximately 33% of SMEs worldwide fail within their first three years, making this threshold suitable for evaluating financially sustainable enterprises.

Data Collection Method

Primary data were collected using a well-structured questionnaire administered directly to the selected respondents. The study focused on SMEs located in Ibadan, the capital city of Oyo State, as it accommodates the highest concentration of SMEs in the region. The questionnaire was designed to capture information related to financial inclusion, access to savings, and wealth creation among SME owners.

Reliability Test

To ensure the reliability of the research instrument, a Cronbach's Alpha test was conducted. According to Kline (1999), a Cronbach's Alpha coefficient ranging between 0.70 and 0.80 indicates an acceptable level of internal consistency, signifying that the questionnaire items adequately measure the same underlying construct.

Model Specification

The study employed a regression analysis model to test the formulated hypothesis and examine the effect of access to savings on wealth creation among SMEs in Oyo State. The general form of the model is specified as follows:

$$WC = \beta_0 + \beta_1 AS + \varepsilon$$

Where:

- i. WC = Wealth Creation
- ii. AS = Access to Savings
- iii. β_0 = Constant term
- iv. β_1 = Coefficient of Access to Savings
- v. ε = Error term

This model was used to determine whether access to savings significantly influences wealth creation among small and medium-scale enterprises.

4.1 Results and Discussion

This section details the findings from the responses to the administered questionnaire, including a thorough analysis and discussion of the results. It provides an overview of the reliability test, respondents' bio-data, their perspectives on the questionnaire items, and the testing of hypotheses. Additionally, it offers a discussion of the findings, interpreting their implications and relevance to the research objective.

Reliability Test

The table below presents the detailed results of the reliability analysis conducted on the research instrument. Cronbach's Alpha was employed to assess the internal consistency of the measurement items. The analysis produced a coefficient value of $\alpha = 0.831$, which exceeds the acceptable threshold of 0.70 as recommended by Kline (1999). This result indicates that the items used in the questionnaire are internally consistent, reliable, and suitable for generalization in subsequent analyses.

Table 4.1 Reliability Statistics

Cronbach's Alpha	N of Items
.831	1

Source: Researcher computation (2025).

Perceptions on Access to Savings

Table below illustrates the respondents' perspectives on access to savings within the selected small and medium enterprises (SMEs), as gathered from the field survey. The data reveals that 45.9% of respondents strongly agreed that access to savings increases sales and expands the business ($\bar{X} = 4.02$, $SD = 1.14$). This outcome, surpassing both the anticipated mean and standard deviation, highlights the significant role of savings in driving business growth and expansion. Additionally, 42.6% of respondents strongly agreed that access to savings helps in saving for the acquisition of business vehicles ($\bar{X} = 3.84$, $SD = 1.29$).

The results underscore the crucial role of savings in enabling businesses to acquire essential assets. Notably, 39.3% of respondents strongly agreed that maintaining a bank account facilitates the acquisition of tangible business assets, such as buildings ($\bar{X} = 3.88$, $SD = 1.21$). This finding highlights the significance of having a bank account for securing substantial business investments.

Additionally, 32.8% of respondents strongly agreed that the physical distance from a bank can serve as a barrier to opening and maintaining a bank account ($\bar{X} = 3.72$, $SD = 1.24$). This indicates the practical challenges businesses face in accessing banking services due to geographical limitations.

Finally, a majority of 59.0% of respondents strongly agreed that having a business bank account is beneficial ($\bar{X} = 4.36$, $SD = 0.93$). The high mean score and relatively low standard deviation reflect a broad consensus on the advantages of maintaining a business bank account, particularly for effectively managing financial operations.

In all, the result indicates that access to savings and having a bank account are highly valued by respondents for their

positive impact on business growth, asset acquisition, and operational efficiency, while challenges such as distance from banking facilities are noted.

Table 4.4: **Perceptions on Access to savings**

Questions	SA (Freq/%)	A (Freq/%)	UD (Freq/%)	D (Freq/%)	SD (Freq/%)	Mean	Std. Dev.
	180						
It is good to have business bank accounts	(59.0%)	90 (29.5%)	10 (3.3%)	15 (4.9%)	10 (3.3%)	4.36	0.93
Distance from bank can be a barrier to having bank account	100 (32.8%)	110 (36.1%)	30 (9.8%)	40 (13.1%)	25 (8.2%)	3.72	1.24
Having bank account helps business to acquire tangible assets like buildings	120 (39.3%)	110 (36.1%)	20 (6.6%)	30 (9.8%)	25 (8.2%)	3.88	1.21
Access to savings can help to save for acquisition of business vehicle	130 (42.6%)	90 (29.5%)	20 (6.6%)	35 (11.5%)	30 (9.8%)	3.84	1.29
Access to saving increase sales and expand the business	140 (45.9%)	95 (31.1%)	25 (8.2%)	25 (8.2%)	20 (6.6%)	4.02	1.14

Source: Researcher computation (2025)

Test of hypotheses

Hypothesis: access to savings does not have significant effect on wealth creation by small and medium scale enterprises.

To achieve this objective simple linear regression was used and the outcome are presented in Table 4.9.

Table 4.9 **Impact of Access to Savings on Wealth Creation**

	R	R-Squared	Adjusted R ²	F-value	Sig. of F	Decision
	.650	.603	.590	77.090	0.000	Sig.
	Unstandardized Coefficients	Standard Error	t Stat	p-value		
Constant	1.058	.084	12.594	.000		
Access to savings	.482	.055	8.780	.000		

Dependent Variable: Wealth Creation

Source: Researcher's Computation (2025)

Table 4.9 presents the results of a simple regression analysis examining the impact of access to savings on wealth creation among selected SMEs in Oyo State. The findings indicate that access to savings has a positive and statistically significant effect on wealth creation ($\beta = 0.482$, $t = 8.780$, $p < 0.05$). This suggests that greater access to savings significantly enhances wealth creation among SMEs. The model's overall significance is supported by the F-statistic ($F(1, 305) = 77.090$, $p < 0.05$), confirming the robustness of the regression results. Consequently, the null hypothesis which states that access to savings has no significant effect on wealth creation is rejected, emphasizing the crucial role of savings in driving business wealth.

Discussion of Findings

The study explored the effect of financial inclusion, particularly access to savings, on wealth creation among SMEs in Oyo State. Data were collected from 305 respondents, providing insights into how access to financial

services influences business growth and wealth accumulation.

The analysis revealed that access to savings significantly contributes to wealth creation ($\beta = 0.482$, $t = 8.780$, $F(1, 305) = 77.090$, $p < 0.05$). This finding aligns with previous research by Echendu et al. (2024) and Azzuwut et al. (2023), which highlighted the importance of savings in promoting financial security and sustainable growth for businesses. The rejection of the null hypothesis further underscores that access to savings is a key determinant of wealth creation among SMEs.

Overall, the results demonstrate that financial inclusion, through the facilitation of savings, plays a vital role in enabling SMEs to grow their capital, invest in business expansion, and improve overall financial sustainability. This reinforces the need for policies and programs that enhance access to savings for small and medium-sized enterprises in developing economies like Nigeria.

The research objective focused on the effect of access to savings on wealth creation. The analysis showed that access

to savings was positive and significant in contributing to wealth creation for SMEs. This finding suggests that having access to savings mechanisms allows businesses to better manage cash flow, reinvest profits, and create financial buffers, all of which enhance their ability to grow and generate wealth. It highlights the importance of savings as a financial management tool in building sustainable businesses.

The study confirmed that access to savings is vital for wealth creation in SMEs. Savings provide a financial buffer that helps businesses weather economic fluctuations and maintain stability during periods of uncertainty. For SMEs, having access to savings means they can sustain operations during low-revenue periods and reinvest profits into the business for future growth. This finding implies that SMEs with robust savings mechanisms are better positioned to manage financial risks and ensure long-term sustainability, further emphasizing the importance of financial inclusion in fostering business resilience.

The study revealed that having access to savings positively affects wealth creation, highlighting the need for SMEs to adopt a strong savings culture. To support this, financial institutions and government bodies should develop savings options specifically for SMEs, such as higher-yield accounts, tax benefits for businesses that regularly save, or flexible plans tailored to the cash flow patterns of small businesses.

Moreover, programs to raise awareness about the benefits of savings are essential. SMEs should understand that saving is not only a safeguard against financial uncertainty but also a strategic tool for reinvestment and expansion. Partnerships between banks, business support organizations, and trade associations could provide savings plans aligned with the seasonal or cyclical income patterns of SMEs, helping them accumulate funds during periods of higher revenue.

This research makes a valuable contribution to the understanding of financial inclusion and wealth creation, especially among SMEs in Oyo State, Nigeria. It offers concrete evidence that access to savings significantly enhances the ability of SMEs to generate wealth, demonstrating the crucial role that inclusive financial services play in promoting business growth and overall economic development.

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