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Determinants of Credit Management Practices and Their Effectives for Small and Medium-Sized Enterprises (SMEs) Sustainability, in UAE.

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DETERMINANTS OF CREDIT MANAGEMENT PRACTICES AND THEIR EFFECTIVENESS for SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs) SUSTAINABILITY, IN UAE.

by

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Abstract

This study focused on the credit management practices of small and medium-sized enterprises (SMEs) in the United Arab Emirates (UAE) and their impacts on their effectiveness and sustainability. According to the researchers, the objectives of the businesses are to supply goods and services through the cash conversion cycle to convert the capital investment into cash and generate revenue to survive. Furthermore, they demonstrate the importance of credit and cash management to SMEs, as well as how effective credit management can eliminate and reduce credit risk.

The researcher used the deductive research approach to test the hypotheses about credit management practices. The dependent and independent variables were determined and discussed, and then the null and alternative hypotheses were developed for each independent variable and its influence on the dependent variables of profitability and sustainability of the SMEs in the UAE. The findings show that there is a relationship between the independent variables (credit limit, and overdue credit sales) and the dependent variables (profitability and sustainability) of the UAE-SMEs.

Results suggest developing a dynamic credit management practice based on market conditions and the importance of following and collecting overdue credit sales to maintain adequate liquidity levels. The researcher hopes that the study conclusions will serve as a benchmark for best practices in UAE-SMEs credit management and provide a solid foundation for UAE-SMEs to adopt and put into practice to enhance their performance.

Keywords: Credit management; credit sales; accounts receivable; SMEs; Sustainability.

1. Introduction

There is a growing interest in credit management services among all enterprise management the issue of bad debts and their management (Adedeji, 2018). Small and Medium-sized Enterprises (SMEs) in the United Arab Emirates (UAE) are in the thousands, and as Zimon & Dankiewicz (2020) explained that it is not essential in which sector the enterprise operates, whether it is a small, or large, private, or public one. Still, safety and profits are necessary for every enterprise and cannot operate without them. Credit management practices in SMEs threaten the effectiveness and the long-term viability of these companies (Silva, Pereira, & Vaz, 2019).

A trade credit arrangement occurs when a seller agrees to allow a buyer to make purchases on the seller's terms and pay the seller later without charging interest. It offers buyers no-interest financing (Al-Eitan, Khanji, & Saraireh, 2023). Sales on credit are one of the sales strategies used to increase demand for goods. Sales are the primary source of enterprise revenue. However, if the sales on credit are not appropriately managed, it will negatively influence the business (Oktavia, 2017).

Credit management practices have varied forms, like credit sales, credit limits, credit terms, and managing the accounts receivable by collecting the outstanding, managing the bad-debt, and minimizing the credit risk. Credit management is a unique activity that includes time, effort, and cost to a business concern (Ghosh, 2019). Credit management seeks to protect the company from risks and losses raised from not collecting its receivables by managing the collection process, reviewing, and controlling the credit process of granting, increasing, decreasing, or cancelling credit limits to customers (Teixeira, Costa, & Lisboa, 2019).

The study's main research question is: What are the credit management practices adopted by United Arab Emirates SMEs?

Sub-Research questions:

1. What factors influence credit management practices in UAE -SMEs?
2. How do credit management and practices influence UAE -SMEs?
3. What are the drawbacks when credit management not implemented by UAE -SMEs?
4. How does credit management practice affect the sustainability of UAE -SMEs?

The primary goal of the study is to identify credit management practices in UAE-SMEs and their effects on liquidity, sales growth, profitability, and the effectiveness and sustainability of SMEs. The researcher hopes that the study conclusions will serve as a benchmark for best practices in UAE-SMEs credit management and provide a solid foundation for these businesses to adopt and put into practice to enhance their performance. The reason for pursuing this research topic in the UAE is that there has been insufficient research on the credit management practices of UAE SMEs.

2. Literature Review

Over the last decade, the overall amount of consumer credit has increased dramatically, with a new volume height each year. New types of consumer credit, new credit enhancement methods, and new devices have come to make credit approvals simpler, faster, and easier collections. In this context, Consumer credit is being studied to assess its social and economic benefits. (Hancock, 2015).

2.1 Credit Sales

Tyas (2020) defined sale as the transferring of ownership of the goods and services from the supplier (seller) to the purchaser (customer), and a credit sales system is one of the tactics the business employs to boost sales. Dera, Sondakh, and Warongan (2016) show that the increase in world business competition requires companies to increase the product sales instruments, which need to offer to sell the products on credit, besides selling the products in cash. Increasing the sales value will increase business profits (Dera et al., 2016). The primary objective for SMEs is profitability, growth, improving their business process, sustainability, increasing their market share, and strengthening their financial resources. Enterprises should have a plan and strategy to compete and survive in the world of business (Tyas, 2020). A study made by Kumaraswamy and George (2019) finds that trade credit had a considerable financial, beneficial impact on corporate profitability. On the other hand, credit sales negatively influence the company's business if it is not suitably managed (Oktavia, 2017).

2.2 Account Receivables

In investigating sales strategies, Wang et al. (2016) observe that credit sales are always more than cash sales if the inventory level is the same. Increasing the credit sales will increase the accounts receivable figures and simultaneously create a cost of accounts receivable management, which includes the cost of investment in accounts receivable, cash discounts, as well as the cost of bad debts. (Dera et al., 2016). According to the study, if SME businesses improve their business performance through effective accounts receivable management, they can create a synergistic effect in enhancing company performance (Yoon, Lee, & Seo, 2022). More specifically, Hoang et al. (2019), during their investigation of the connection between trade credit and profitability among 1509 non-financial listed SMEs in the East Asian and Pacific region from 2010 to 2016, found that receivable trade credit had a significant positive impact on the profitability of the examined SMEs.

2.3 Profitability

The terms "profitability" and "growth" are the words investors and stakeholders are interested in when looking to invest in companies around the world when there is a lack of risk control; this can harm the performance (Galai et al. 2006). Literature studies have demonstrated that accounts receivable management is essential to a company's profitability. One study by Hoang et al. (2019) shows that trade credit payable and receivable have an inverted U-shaped connection with SMEs' profitability, which suggests that there is an appropriate trade credit level that strikes a balance between costs and benefits to optimize their profitability. Investment in trade credit is linked to firm profitability, when the credit sales increase, the profitability of the company will improve. On the other hand, the higher the trade credit investment, the higher the risk of financial costs and the lower the company's profitability. As a result, there should be a certain level of business credit that leads to increased profitability (Al-Eitan et al. 2023).

A high trade credit investment is also associated with a higher risk of revenue loss or extra costs, both of which reduce business profitability (Hoang et al. 2019). Seminal contributions have been made by Demirtas (2020) reported that management of the company's receivables is a critical practice in increasing the company's cash flow and profitability.

Several studies show the relationship between the account receivables and the company's profitability. According to Oseifuah and Gyekye (2016), study on the cash conversion cycle finds that "there are negative links between the conversion period of the account receivable and profitability". Bussoli and Conte (2020) recommend that companies can increase their profitability by increasing investments in trade receivables largely than companies in their industry sector. On the other hand, Killingsworth and Mehany (2018) mentioned that the company's financial expenses increased because of collections, and this will negatively affect its profitability. Mohanty and Mehrotra (2018) reported also, that there is a significant impact of liquidity management on SMEs profitability.

2.4 Sustainability

Palmer and Flanagan (2016) outlined that sustainability objectives and plans are essential for the company's long-term success. Whenever companies struggle for cash due to overdue payments, it becomes more difficult for them to invest in growth plans and innovation (Hopkins et al., 2017). Nomani and Azam (2020) recommend decreasing the number of days' account receivables to a reasonable minimum to sustain the liquidity necessary for the company. The longer firms wait for payment, the lower the level of investment they perform (Hopkins et al., 2017).

The leading operator of sustainable businesses is the quality and innovation approach, which acts as a mediator connecting a firm's orientation towards technological improvement and business sales with sustainable objectives and achievements, such as customer loyalty and long-term profitability (Vatamanescu et al., 2016). According to Lyani (2018) research, when SMEs adopt accounts receivable financing techniques, they grow.

2.5 Credit Management

In today's intensely competitive business environment, improvement in the sales management cycle time is essential for business success. Innes (2004) explains that a debt is created when we buy, and credit is created when we sell. Managing credits and regulating payment is important for SMEs to control its cash flow more efficiently and to increase customer satisfaction (Kocaoglu & Acar, 2016).

Meanwhile, Kozarević and Omerović (2019) define the credit policy as a swap between the benefits obtained from increased sales and the costs of approving credit. The cash conversion cycle is an effective measure for detecting how efficiently a company succeeds in managing its working capital.

A company with a low cash conversion cycle is more efficient as it converts its working capital over many times in the year allowing it to make more sales for the cash invested (Nwude et al., 2018).

Considering the economic and social importance of consumer credit, it is obvious that the practices and principles underlying the establishment and management of credit agreements are critical and should be extensively examined (Finlay, 2009). In their study, Kumaraswamy, and George (2019) conclude that efficient trade credit management may significantly increase the profitability and cash flows of Saudi Arabian manufacturing companies. From the point of view of management theory, Kaul (2020) mentioned the definition of management according to Henry Fayol (1916) is "to plan, organize, coordinate, command, and control."

The systems theory related to the research topic of credit management by making all different components and subsystems of credit management such as credit sales, credit policy, credit limit, credit terms, and the collection of overdue credit sales. Interrelated and integrated together to produce the best credit management practices for UAE-SMEs. Using a credit policy by companies leads to an improvement of credit risk management, as well as to the growth of financial performance (Wambui & Lucy, 2018).

Researchers say that profitability depends on the level of credit sales, and it is also influenced by the collection process and the cash conversion cycle. Ayar (2012) argues that there is a significant negative correlation between the variables of company size, profitability, and the cash conversion cycle, while Zianudin (2009) found that companies are more efficient when they are collected overdue very soon. In his study, Abuhommous (2017) the debate that trade credit can used as an efficient way to decrease the transaction cost by separating the delivery of goods from payment receiving. Another study by Ismail et al. (2018) finds that the frequency of payments positively contributes to the perceived transaction costs, supporting the transaction cost theory. Credit Policy decreases the loan default and accelerates receivable debt turnover (Farhan et al., 2020).

On the other hand, credit sales have a negative impact on the company's profitability, Anthonia (2012) considers that companies making their sales on credit make less profit than their sales in cash. Credit sales will increase the cost of accounts receivable management (Dera et al., 2016). There are negative links between the accounts receivables conversion period and profitability (Oseifuah & Gyekye, 2016). Credit policy has a significant impact on company financial performance (Wambui & Lucy, 2018).

As demonstrated by the arguments in the above studies, the empirical findings, such as those reported by Oseifuah and Gyekye (2016), Dera et al. (2016), Anthonia (2012), and Wambui and Lucy (2018), have supported a negative relationship between credit management and the effectiveness and sustainability of the companies. While other studies found positive impacts of credit management on firm financial performance and sustainability (e.g., Ismail et al. 2018, Abuhommous 2017, Lyani 2018, Mohanty and Mehrotra 2018, Kumaraswamy and George 2019, Yoon et al. 2022, and Al-Eitan et al. 2023).

3. Methodology

To examine the impact of credit management on the profitability and sustainability of SMEs in UAE, the research model was created based on the body of existing literature, and the study variables were identified.

3.1 The Data

The study data consists of information from small and medium-sized enterprises (SMEs) in the United Arab Emirates (UAE). The author used the quantitative method to collect the data from the UAE SMEs. The sample of 174 responses was obtained from the survey questionnaire distributed to SMEs in the UAE to examine the impact of credit management practices on their profitability and sustainability.

Table (1) shows the responses received from the distributed survey: 20.49 percent from the manufacturing sector, 36.15 percent from the services sector, and the highest response of 43.38 percent from the retail sector.

Table 1. SMEs sectors

Particulars	Frequency	Percentage %
Manufacturing sector	34	20.49 %
Retail sector	72	43.38 %
Services sector	60	36.15%
Total	166	100.00%

3.2 Study variables and hypothesis.

In this study, the dependent variables are the profitability and sustainability of the SMEs in the UAE, while the independent variables are the credit management practices of the credit limit and the overdue credit sales. The researcher used the quantitative method to collect the data needed through a questionnaire survey to evaluate the hypotheses of credit management practices and their impacts on the effectiveness and sustainability of SMEs in the UAE.

According to Neuman and Robson 2014), the null hypothesis is a hypothesis stating that an independent variable does not significantly influence a dependent variable. The independent variable is a variable type that generates an impact or results on the dependent variable in a causal hypothesis.

3.2.1 Credit Limit

The credit limit is the volume of credit sales agreed to allow the customers to purchase and then pay within the credit term or period. The absence of the credit limit is expected to influence the effectiveness of SMEs in the UAE, through its impacts on the dependent variables of profitability, and sustainability, as illustrated in Figure 1.

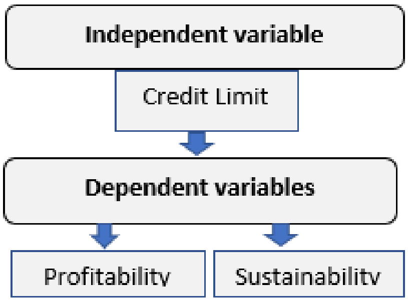

Figure 1. Credit Limit

The following hypotheses were created to test the relationship between the credit limit and dependent variables:

Null hypothesis ($H1_o$): Credit Limit does not influence the Profitability of SMEs in the UAE.

Alternative hypothesis ($H1_a$): Credit Limit influences the Profitability of SMEs in the UAE.

Null hypothesis ($H2_o$): Credit Limit does not influence the Sustainability of SMEs in the UAE.

Alternative hypothesis ($H2_a$): Credit Limit influences the Sustainability of SMEs in the UAE.

3.2.2 Overdue credit sales

A vital component of this research study is credit sales. According to Farhan et al. (2020), whenever goods are sold on credit, they become receivables. The credit sale is followed by the collection amount that a consumer acquired on credit but has not yet paid for. According to the literature review, this credit sales outstanding is referred to as "overdue credit sales."

The absence of collecting credit sales on time is expected to influence the effectiveness of SMEs in the UAE through its impacts on the dependent variables of profitability and sustainability, as illustrated in Figure 2.

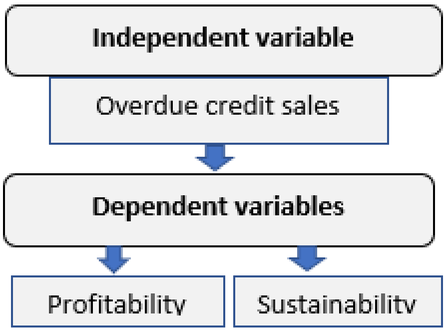

Figure 2. Independent variable overdue credit sales

The following hypotheses were created to test the relationship between the overdue credit sales and dependent variables:

Null hypothesis ($H3_o$): Overdue credit sales do not influence the Profitability of SMEs in the UAE.
Alternative hypothesis ($H3_a$): Overdue credit sales influence the Profitability of SMEs in the UAE.

Null hypothesis ($H4_o$): Overdue credit sales do not influence the Sustainability of SMEs in the UAE.
Alternative hypothesis ($H4_a$): Overdue credit sales influence the Sustainability of SMEs in the UAE.

4. Results

The researcher used one-way ANOVA to determine if there is a significant effect of the independent variables (credit limit and overdue credit sales) on the dependent variables (profitability and sustainability). Also, the researcher applies the regression analysis to test and identify the strength of the association between the dependent variable and a set of independent variables. For example, what is the strength of association between the profitability and the independent variables of credit limit and the overdue credit sales?

The chi-square test performed to examine the relation between the credit limit and the profitability, and as reported in Table (2), X^2 (6, N = 166) = 51.5903, p value = .000 < .05. and the test statistic x^2 is more than the critical value (55.7228>12.59159), which mean there is a significant relationship between the two variables, credit limit, and the UAE-SMEs profitability.

Table 2 Chi-Square test for the credit limit and profitability

N	df.	P value	Chi-square x^2	x^2 Critical value
166	6	0.000 (10^-9)	51.5903	12.59159

The chi-square test performed to examine the relation between the credit limit and the sustainability, and as reported in Table (3), X^2 (6, N = 166) = 50.4939, p value = .000 < .05. and the test statistic x^2 is more than the critical value (50.4939>12.59159), which mean there is a significant relationship between the two variables, credit limit, and the UAE-SMEs sustainability.

Table 3. Chi-Square test for the credit limit and sustainability

N	df.	P value	Chi-square x^2	x^2 Critical value
166	6	0.000 (10^-9)	50.4939	12.59159

The chi-square test performed to examine the relation between the overdue credit sales and the profitability, and as reported in Table (4), X^2 (6, N = 166) = 52.6867, p value = .000 < .05. and the test statistic x^2 is more than the critical value (52.6867>12.59159), which mean there is a significant relationship between the two variables, overdue credit sales, and the UAE-SMEs profitability.

Table 4. Chi-Square test for the overdue credit sales and profitability

N	df.	P value	Chi-square x^2	x^2 Critical value
166	6	0.000 (10^-9)	52.6867	12.59159

The Chi-square test was performed to examine the relation between overdue credit sales and the sustainability, and as reported in Table (5), X^2 (6, N = 166) = 78.2409, p value = .000 < .05. and the test statistic x^2 is more than the critical value (78.2409>12.59159), which mean there is a significant relationship between the two variables, overdue credit sales, and the UAE-SMEs sustainability.

Table 5. Chi-Square test for the overdue credit sales and sustainability

N	df.	P value	Chi-square x^2	x^2 Critical value
166	6	0.000 (10^-9)	78.2409	12.59159

The one-way ANOVA test results in Table (6), show that the F value is less than the F Crit. (2.4073 < 2.6189) and the P-value is more than the 0.05 (0.0661 > 0.05). Since the p-value is more than α = .05, we accept the null hypothesis of one-way ANOVA and conclude that we do have not sufficient evidence that there is a statistically significant difference between the dependence groups means. This indicate that the independent variables credit limit has the same average effects on the UAE-SMEs dependent variables: sales growth, liquidity, profitability, and sustainability.

Table 6. ANOVA test - Credit limit and the dependent variables

ANOVA: Single Factor Credit Limit						
Groups	*Count*	*Sum*	*Average*	*Variance*		
Sales Growth	166	774	4.6626506	2.5642935		
Liquidity	166	727	4.37951807	2.7581234		
Profitability	166	698	4.2048192	2.4668857		
Sustainability	166	716	4.3132530	2.7497626		
ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	19.0286	3	6.3428714	2.4073753	0.066	2.61
Within Groups	1738.945	660	2.63476634			
Total	1757.974	663				

The one-way ANOVA test results in Table (7), show that the F value is more than the F Crit. (3.9714> 2.6189) and the P-value is less than the 0.05 (0.0080 < 0.05). Since the p-value is less than α = .05, we reject the null hypothesis of one-way ANOVA and conclude that we have sufficient evidence that there is a statistically significant difference between the dependence groups means. This indicates that the independent variables overdue credit sales do not have the same average effects on the UAE-SMEs dependent variables: sales growth, liquidity, profitability, and sustainability, (the highest average is also on liquidity 5.072).

Table 7. One-way ANOVA test - Overdue credit sales and the dependent variables

ANOVA: Single Factor						
Overdue Credit Sales						
Groups	*Count*	*Sum*	*Average*	*Variance*		
Sales Growth	166	775	4.67	2.65		
Liquidity	166	842	5.07	2.94		
Profitability	166	740	4.46	2.56		
Sustainability	166	798	4.81	2.94		
ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	33.0527	3	11.02	3.97	0.01	2.62
Within Groups	1830.95	660	2.77			
Total	1864	663				

The regression analysis applied between credit limit and profitability to test the hypothesis. According to the regression analysis test summarized in (Table 8), the analysis shows that the p-value is more than 0.05 (0.154> 0.05), we can say, we have no correlation coefficient between the two variables (credit limit and profitability), which mean credit limit does not significantly influence profitability. Therefore, the null hypothesis ($H1_0$) is supported.

Table 8. Regression analysis between credit limit and profitability

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.431	0.296		8.201	0.000
	Credit limit	0.114	0.079	0.111	1.433	0.154
Dependent Variable: Profitability						

The regression analysis applied between credit limit and sustainability to test the hypothesis. According to the regression analysis test summarized in (Table 9), the analysis shows that the p-value is more than 0.05 (0.157> 0.05); we can say, we have no correlation coefficient between the two variables (credit limit and sustainability), which means credit limit does not significantly influence sustainability. Therefore, the null hypothesis ($H2_0$) is supported.

Table 9. Regression analysis between credit limit and sustainability

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.449	0.287		8.532	0.000
	Credit limit	0.11	0.078	0.11	1.422	0.157
Dependent Variable: Sustainability						

The regression analysis applied between overdue credit sales and profitability to test the hypothesis. According to the regression analysis test summarized in (Table 10), the analysis shows that the p-value is more than 0.05 (0.083> 0.05), we can say, we have no correlation coefficient between the two variables (overdue credit sales and profitability), which mean overdue credit sales does not significantly influence profitability. Therefore, the null hypothesis ($H3_0$) is supported.

Table 10. Regression analysis between overdue credit sales and profitability

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.242	0.244		13.313	0
	Overdue Credit	0.121	0.069	0.134	1.742	0.083
Dependent Variable: profitability						

The regression analysis applied between overdue credit sales and sustainability to test the hypothesis. According to the regression analysis test summarized in (Table 11), the analysis shows that the p-value is less than 0.05 (0.009< 0.05); we can say, we have a correlation coefficient between the two variables (overdue credit sales and sustainability), which mean overdue credit sales significantly influences sustainability. Therefore, the null hypothesis ($H4_0$) rejected.

Table 11. Regression analysis between overdue credit sales and sustainability

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.348	0.225		14.888	0.000
	Overdue Credit	0.084	0.061	0.407	10.382	0.009
a Dependent Variable: sustainability						

5. Conclusions

The performed chi-square tests on the UAE-SMEs of the credit management practices independent and dependent variables reported (p-value < .05), which means there are relationship between the independent variables (credit limit and overdue credit sale) and the dependent variables (profitability, and sustainability). This means improving the credit policy practices in UAE-SMEs can significantly improve the sales growth, profitability, and sustainability of the UAE-SMEs.

The regression test analysis showed there is a negative relationship between the credit limit practices and the UAE-SMEs profitability, which mean credit limit practice do not significantly influence the UAE-SMEs profitability, also the same results obtained for the credit limit, that there is negative relationship between the credit limit practices and the UAE-SMEs sustainability, which mean credit limit practice not significantly influence the UAE-SMEs sustainability. While the tests analysis for the overdue credit sales indicates a significant influence of the overdue credit sales practices on the UAE-SMEs sustainability. Collecting receivables very quickly will maintain enough liquidity to meet the current liabilities (Zimon, 2017).

The findings of the study showed there is a relationship between credit management practices and sales growth, liquidity, profitability, and sustainability, the UAE-SME management needs to hire skilled and educated staff in credit management practices It is recommended to train employees to carefully evaluate customers before starting any credit sales. When granting credit limits and following up on overdue credit sales, sales staff should be able to distinguish between personal and business relationships. Also, it is recommended to automate and integrate supporting systems for: automating billing of sales invoices; notifying the owner and manager of the SMEs when the credit limit for customers is exceeding the approved limit; and notifying customers about unpaid invoices. UAE-SMEs management should give attention to the cash discount and discount period, which will enhance the UAE-SMEs' liquidity positions and reduce the account receivable figures.

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Appendices

Study Questionnaire

	Strongly Disagree (1)	sagree (2)	Somewhat Disagree (3)	Neither Agree nor Disagre e(4)	Somewhat Agree (5)	Agree (6)	Strongly Agree (7)
A. You have clear information on the credit sales.							
B. You have clear information on the Credit Policy of your company.							
Credit Management Policy	Strongly Disagree (1)	agree (2)	Somewhat Disagree (3)	Neither Agree nor Disagree(4)	omewhat Agree (5)	Agre e (6)	Strongly Agree (7)
1. Credit Policy influences the sales growth of my company							
2. Credit Policy influences the Liquidity							

position of my company							
3. Credit Policy influences the Profitability of my company							
4. Credit Policy influences the Sustainability of my company.							
Credit Limit.	Strongly Disagree (1)	Disagree (2)	Somewhat Disagree (3)	Neither Agree nor Disagree(4)	omewhat Agree (5)	Agree (6)	Strongly Agree (7)
5. Credit Limit influences the sales growth of my company							
6. Credit Limit influences the Liquidity of my company.							
7. Credit Limit influences the Profitability of my company.							
8. The credit limit policy influences Sustainability of my company.							
Credit Terms	Strongly Disagree (1)	Disagree (2)	Somewhat Disagree (3)	Neither Agree nor Disagree(4)	omewhat Agree (5)	ree (6)	Strongly Agree (7)
9. Credit Terms influences the sales growth of my company							
10. Credit Terms							

influences the Liquidity of my company							
11. Credit Terms influences the Profitability of my company							
12. Credit Terms influences the Sustainability of my company.							
Overdue Credit sales	Strongly Disagree (1)	sagre e (2)	Somewhat Disagree (3)	Neither Agree nor Disagree (4)	mewhat Agree (5)	Agree (6)	Strongly Agree (7)
13 Overdue credit sales, influences of my company.							
14 Overdue credit sales influence the Liquidity of my company.							
15. Overdue credit sales influences the Profitability of my company							

Q17. Which sector does your company belong to?

------- Manufacturing

------- Retail

------- Services

Q18. Please, indicate your position/duty in the company..

(Example: Collection Manager, Finance Manager, Credit Manager, Owner ... e.t).

Q19.How many years of working experience do you have?

------- Years

Q20. What is your gender?

------- Female

------- Male

Q21. Please, select your age group.

------- Less than 18

------- 18 – 24

------- 25 – 34

------- 35 – 44

------- 45 – 54

------- 55 – 64

------- 65 and above

I sincerely thank you for the time to take part in this survey.

Please make sure you have answered all the survey questions, and if you have any questions.

About this survey, you can contact the researcher on email:mhssnn@hotmail.com; m.hassan@faculty.sbs.edu