



Impact of microfinance banks on entrepreneurial development in Billiri local government area, Gombe state-Nigeria

Denthe Amos Haruna¹, Bulus Shadrach², Hamisu Ali³ and Nekenneri Jerome Jaimu⁴

¹Postgraduate Student, Federal University of Kashare, Faculty of Social Sciences, Gombe State-Nigeria. Email: speak2denthefpk@gmail.com

²Department of General Studies, Federal Polytechnic Kaltungo, Gombe State-Nigeria. Email: Shadrachb2013@gmail.com

³Faculty of Social and Management Sciences, Adamawa State University, Mubi, Department of Economics, Adamawa State-Nigeria. Email: hamisu006@gmail.com

⁴Department of Cooperative Economics and Management, Adamawa State Polytechnic, Yola. Adamawa State-Nigeria. Email: jeromejaimu@gmail.com

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ABSTRACT

The purpose of this study was to investigate how the Billiri Local Government Area of Gombe State's microfinance bank affected the growth of entrepreneurship. Three research questions were developed in order to accomplish the stated goal of the study. The study used the descriptive research design. 734 people participated in the study, representing ten electoral wards in Billiri LGA. Since it was impractical to study the entire population, a stratified sampling of 259 employees was used. 192 completed and returned copies of the structured questionnaires that were distributed to respondents out of a total of 259 copies. For the first hypothesis, Pearson correlation was used, while for the second and third hypotheses, ANOVA was used. According to the findings, the Billiri Local Government Area's microfinance banks have a significant impact on the growth of entrepreneurship; that entrepreneurial businesses in Billiri LGA face obstacles to obtaining effective financing. Based on the findings, it was suggested that the microfinance bank in Billiri LGA of Gombe State be strengthened to encourage entrepreneurship free of imitation and vocational tendencies. Additionally, a sufficient supply of human, physical, and financial resources ought to be provided by a variety of stakeholders, not only for potential but also for existing, aspiring, and new SMEs.



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1 | INTRODUCTION

It is important to note that microfinance is increasingly being recognised as a primary engine of economic growth for its contribution to entrepreneurial endeavours. Entrepreneurs add value through the commercialisation of new products, the creation of new jobs, and the establishment of new businesses by combining innovative ideas with existing resources. According to the Global Entrepreneurship Monitor (GEM), countries with a higher rate of entrepreneurial activity experience rapid economic expansion. In a nutshell, entrepreneurs are the conduit that connects innovative concepts to economic growth. Speaking at the conference titled "Improving Access to Microfinance," Soludo (2008) said that the Central Bank of Nigeria (CBN) is moving forward with its plan to create a pool of articulate and well-focused entrepreneurs by establishing one Entrepreneurship Development Centre (EDC) in each of the country's six geopolitical zones in order to maintain an increase in skilled entrepreneurs' participation in the provision of credit and other financial services to micro, small, and medium-sized businesses in the microfinance. Since January 2008, the three pilot entrepreneurship development centres have been Kano (northwest), Ota (southwest), and Onitsha (southeast) are the centres. In accordance with the achievement of the Millennium Development Goals (MDGs), the Central Bank of Nigeria (CBN) has established numerous EDC in numerous states of the federation since that conference.

It is interesting to note that academics and researchers have recognised the significance of entrepreneurship in the economic development of nations, particularly through the growth of the microfinance subsector. According to Peter and Clerk (2007), entrepreneurial growth necessitates openness to experimentation and new concepts, a better sense of punctuality, a greater concern for planning, organisation, and efficiency, a tendency to seek the world as calculated a faith in science and technology, and finding a belief in distributive justice are all traits that make men and women more interested in the present and future than they were in the According to Hisrich, Peter, and Shepherd (2008), the purpose of the study is to determine how successful entrepreneurship development through microfinance institutions will result in the creation of jobs and the development of more skills that can be more readily adopted by local residents (Kovshling & Allen, 2014).

At the macro level, the Federal Government of Nigeria (FGN) has implemented monetary, fiscal, industrial, and developmental policy measures to facilitate and support entrepreneurship. At the micro level, specific financing arrangements are being made to boost entrepreneurship in Nigeria. Despite these policies, entrepreneurs still struggle to obtain sufficient support and funding from microfinance banks. In its most basic form, decree 46 of 1992 (as amended) established the community banking system to finance and encourage the development of Nigerian entrepreneurship. Agriculture, transportation, commerce and industry, textiles, Point of Sales (POS) vulcanising, blacksmithing, health, architecture, entertainment, and other micro-units require micro-financing, but it faces difficulties in financing projects in rural and even semi-urban communities.

The well-being of young entrepreneurs has been impacted in a number of ways, either directly or indirectly, by the major difficulties that microfinance banks faced in the Billiri Local Government Area of Gombe State, Nigeria. The broad objective of this study is to examine the impact of microfinance bank on entrepreneurial development in Billiri LGA. The specific objectives seek; to examine the level of relationship between microfinance bank on entrepreneurial development in Billiri LGA, to examine the extent at which microfinance bank impact on entrepreneurial development in Billiri LGA, to determine the problems militating against the effective funding of entrepreneurial development in Billiri LGA. To answer the research question posed for the study, the following hypotheses were formulated in a null form:

Ho₁: There is no relationship between microfinance bank and entrepreneurship development in Billiri Local Government Area of Gombe State.

Ho₂: Microfinance bank has not significantly impacted on the development of entrepreneurship in Billiri Local Government Area of Gombe State.

Ho₃: There are problems militate against the effective financing of entrepreneurs by the microfinance banks in the attainment of their objective.

2 | LITERATURE REVIEW

In this part of the study, the literature on the subject was looked at for clarity; these three categories are as follows: theoretical framework, empirical literature, and a conceptual review.

2.1 | Conceptual Clarification

2.1.1 | Concept of Microfinance Bank

The concept of a microfinance bank is defined by the central bank of Nigeria (CBN) in its "Regulatory and supervisory Guidelines for microfinance Banks (MFBs)" as "companies licensed to carry on the business of providing micro finance services such as savings, loans, domestic loans, transfer, and other financial services that are needed by the economically active poor and entrepreneurs to set up and establish their business. MFBs are also known as "microfinance banks. "Sustainable access to microfinance helps alleviate poverty by generating income, creating jobs, allowing children to go to school, empowering people and entrepreneurial skills to make choices that best serve their needs," stated UN Secretary General Kofi Anan (2005). According to Ostero (2000), microfinance is the provision of financial services to self-employed individuals with low or very low incomes. According to Ogunleye (2015), Robinson (2001), microfinance is "small scale financial services that primarily involve savings and credit services for the poor. More than two decades ago, the term "microfinance" simply referred to the provision of extremely small loans also known as "microcredit" to the poor in order to assist them in starting new, productive business ventures or expanding existing ones. However, microfinance has expanded over time to include a wider range of services. As practitioners realised that the poor, who lacked access to traditional formal financial institutions, required a variety of financial products to achieve meaningful improvement in their business activities, these primarily include credit, savings opportunities, insurance, and money transfers. Loans, savings opportunities, insurance, money transfers, and other financial products geared toward the poor are all examples of microfinance. According to Ogunleye (2015), the goal of microfinance is to provide financial services to the poor, who typically do not receive them from traditional financial institutions. According to him, the three characteristics that set microfinance apart from other formal financial products are:

- The insignificant amount of money saved or borrowed,
- The absence of collateral based on assets, and
- Operation simplicity.

2.1.2 | Challenges of Microfinance Bank in Nigeria

To achieve sustainability, microfinance must devise strategies to effectively address the challenges of microfinance which are as follows:

- High operating cost: small units of services pose the challenge of high operating cost, several loan applications to be processed, numerous accounts to be managed and monitored, and repayment collections to be made from several locations especially in rural communities.
- Repayment problem: loan repayment default is a major threat to institutional sustainability. It can be described as a deadly virus which afflicts MFBs. It demoralises staff and deprives beneficiaries of valuable services. However it can also be seen as a symptom of poor leadership.
- Inadequate experienced credit staff: micro financing is more than dispensing loans. To be viable, MFBs require experienced and skilled personnel. As a young and growing industry, there is a dearth of experienced staff in planning, product development and effective engagement with clients. Most credit staff of MFBs in Nigeria is on their first jobs and this limits expansion and institutional performance.
- Lack of re-financing facilities: MFBs in Nigeria are not profit oriented. Non- profit status of MFBs inhibits effective engagement with financial institutions like the commercial banks.
- Client apathy and drop-out: Improper client services and delivery strategies could lead to client drop-out.
- Internal Control challenge: large transactions and informal operational approach pose serious internal control challenge. Operational procedures could be breached at disbursement and collection points. High cash transaction which is a feature of

micro financing is a source of temptation for fraudulent practices.

2.2 | The Concept of Entrepreneurship

It is agreed upon in almost all definitions of entrepreneurship that it involves taking initiative, organising and reorganising social and economic mechanisms to turn resources and situations into practical accounts, and accepting risk or failure. According to Hisrich, Peters, and Shepherd (2008), an entrepreneur is one who introduces changes, innovations, and a new order while also combining resources, labour, materials, and other assets to increase their value. According to Sulaimon & Adebayo (2000), entrepreneurship is the act or process of locating business opportunities and planning to launch a profitable business venture. They noted that entrepreneurs carry out the following tasks: pursuing new information and looking for it; making an interpretation of new data into new business sectors, procedures and products; pursuing and cultivating business opportunities; coordinating the financial resources required for the business; assuming complete control over management; and taking on the risk for the company.

2.3 | Microfinance and Entrepreneurship

In essence, economic development is a process of upward change in which a nation's real per capita income rises over time. The growth of a nation depends heavily on entrepreneurial activity. It is one of the most crucial factors in economic growth. The country's economic growth is influenced by the number and ability of entrepreneurs. Entrepreneurship is a necessary cause of economic development, as evidenced by the economic histories of developed nations like the United States, Russia, and Japan. People in developing and underdeveloped nations have become aware of the significance of entrepreneurship for economic development as a result of the crucial and significant role that entrepreneurs play in the economic development of advanced nations.

The fact that active and enthusiastic entrepreneurs can only explore the potentials of a nation's availability of resources like labour, capital, and technology is now widely accepted. Economic growth and entrepreneurship are closely intertwined. According to Schumpeter, the entrepreneur is the key to economic expansion, and the entrepreneurial process is a major contributor to economic growth. Entrepreneurship is essential to economic growth, regardless of the country's political and economic configuration. Entrepreneurship is a management strategy that can be used in new businesses as well as more established ones. The developing interest, in the space of business venture has created close by interest in the changing job of private companies. In a developing nation like Nigeria, the potential of small business ownership is enormous. A business leader who is an entrepreneur looks for new ideas and puts them into action to help the economy grow and develop. Through his entrepreneurial decisions, the entrepreneur serves as a trigger head for economic activity. He is crucial not only to the growth of a nation's industrial sector but also its agricultural and service sectors. For production to take place, the entrepreneurs require funds to combine various production factors like land, labour, and capital. Any business, no matter how big or small, will need money to start new investments if they are going to be successful. In order to encourage the growth of entrepreneurship, numerous microfinance institutions have developed a variety of assistance programs. Finance, advisory and extension services, training, and the provision of basic infrastructure are among these. In a country, reducing poverty is not impossible. In Indonesia, empirical evidence has demonstrated that significant poverty reduction is possible and has taken place in developing nations. For instance, studies have shown that the total number of people living in poverty has decreased in all developing nations whose economies have grown steadily over the past few decades (Aderibigbe, 2001).

2.4 | Microfinance Models

2.4.1 | The Grameen Models

After an experimental period of six years beginning in 1976 and funded by the Janata Bank, Grameen Bank of Bangladesh was established in 1983 as an independent specialised bank to provide credit to Bangladesh's rural poor, particularly women. The informal lending to the poor concept was the foundation of the Grameen Bank experience. It was started to help landless people in Bangladesh get credit that they couldn't get from traditional commercial banks. Through the creation of self-employment opportunities for rural poor people, the bank was established

to improve their economic situation. Unlike other commercial banks, Grameen Bank loans are secured by group collateral, peer monitoring, and pressure to repay. Rather than physical collateral, Grameen Bank loans are secured by group collateral. For both men and women who apply for a loan, loans are distributed through banking units with separate groups of five members. Each group's members each receive loans, but the group as a whole is responsible for paying them back. Two members receive loans in the first round to invest in their businesses. The next two members will be granted loans four to six weeks later if these members successfully repay their loans. If the first two members are able to pay back their loans, the third member can get a loan. If all members are able to repay their loans, repayment of each member frees up room for the subsequent loan. Every member of the group is ineligible to receive additional loans if they default. A community of six to eight groups is referred to as the "centre," and this is the second level of participation at which a Bank official interacts with all eight groups. However, this model relies on the modalities of close supervision, collective guarantees, and peer pressure from other group members. As a result, the model has been very successful both as a bank for the poor and as a social movement based on awareness and training principles, which has made it easier for the poor to get involved.

2.5 | Theoretical Framework

2.5.1 | Innovation Theory of Entrepreneurship

The innovation theory of entrepreneurship serves as the foundation for this study's theoretical framework. Joseph Schumpeter is the greatest representative of the economic/sociological approach throughout history. One major component of Schumpeter's "Theory of Economic Development," published in 1934, is his general theory of economic development. Entrepreneurship, according to Schumpeter, is a creative activity. An entrepreneur is an innovator who introduces new goods or services to the market. Schumpeter believed that innovation is a characteristic of all entrepreneurs. Entrepreneurs are innovators and innovators are entrepreneurs. According to Meir and Baldwin in Idemobi (2010), he undertakes novel combinations of the existing production factors in any of the following ways.

- When a new product is introduced
- Utilising a novel production technique
- In the opening of a brand-new market
- In the utilisation of a brand-new supply of raw materials,
- In any industry reorganisation,

3 | METHODOLOGY

This section is to discuss the procedures for gathering data, the study design, and the methods that was adopted in analysing the data.

3.1 | Research Design

This study adopted a descriptive survey design. The purpose of this design is to collect detailed and factual information that describes an existing phenomenon (Ezeani 1998). Data were collected based on the concepts defined in the research and hypotheses tested from the responses on Likert-type questionnaire was distributed amongst the selected sample of the study.

3.2 | Description of the Study Area

Billiri (or Biliri) is one of the 11 Local Government Area of Gombe State, Nigeria bounded to the north by Akko LGA, South and East by Shongom as well as North-East by Kaltungo. It is an old settlement of the Tangales which is located South of Gombe it has an area of 737 km² and a population of 202,144 at the 2006 census. Apart from Tangale language, Fulfulde and Hausa are commonly spoken the postal code of the area is 771. Most of the inhabitants of Billiri are Christians while Muslims formed the largest minority. The tribe is Tangale which means "Tangle". The traditional ruler of the LGA is called the "Mai Tangale". The death of the Mai Tangale in 2020 brought about communal unrest in the Biliri community due to the delay in reinstating a new Mai Tangale. There are 10 wards in Billiri local government and they are: Bangaje North, Bangaje South, Bare, Billiri North, Billiri South, Kalmal, Todi, Tudu Kwaya, Tal and Tanglang. School they include: Central primary school, Government day secondary School Amtawlam, FGC Billiri and Government Sciences Secondary School Billiri.

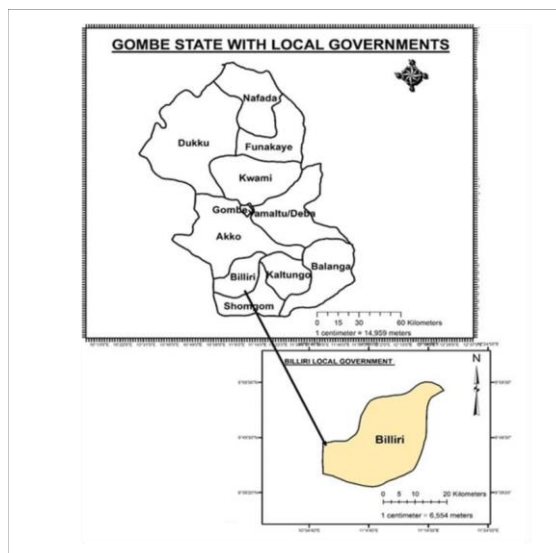


Fig 1. Map of Gombe State with Local Governments and showing Billiri as the Study Area

Source: (Ministry of Land and Survey Gombe State 2010), adopting from the work of Abdullahi and Shehu (2017).

3.3 | Population of the Study

The study population from which the sample was drawn for the study consist of 10 electoral wards in Billiri LGA in Gombe State-Nigeria. Out of these (10) wards entrepreneurial activities were randomly selected and questionnaires were administered to the business owner ranging from small business to medium scale. Staff of microfinance banks was interviewed to gain their opinion. The sampled entrepreneurs are as follows;

Table 1. 10 Selected Electoral Ward in Birilli Local Government Area of Gombe State

S/No.	Name of Wards	Number of Business
1	Bangaje North	57
2	Bangaje South	73
3	Bare	64
4	Billiri North	87
5	Billiri South	73
6	Kalmal	63
7	Todi	85
8	Tudu Kwaya	92
9	Tal	59
10	Tanglang	81
Total		734

Source: Field Survey, 2021

3.4 | Sample Size and Sampling Techniques

The study used stratified random sampling to select the number of employees from each level or unit after selecting the number of entrepreneurial businesses. Due to the nature of the study population and the behavioral patterns of the profession, which are more grounded than those found in large manufacturing companies, stratified random sampling was used for this study. This work guaranteed Cooper and Schinder (2006), standards for utilisation of separated arbitrary technique in particular: (a) improved the statistical efficiency of the sample; b) the amount of information needed to analyze the various subpopulations or strata; and the application of various research strategies and procedures to various strata. In addition, the work ensured that stratified sampling was used in this study to ensure a full representation of the businesses with varying staffing levels. Using Taro Yamane's formula, the sample size was determined based on the information regarding the number of employees in ten (10) wards of the Billiri Local Government Area of Gombe State at a 5% level of significance for sample error. The formula is shown as follows:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n= Sample Size

N= Finite Population

e= Level of significance

1= Unity (constant)

Therefore, the sample size was determined as follows:

$$n = \frac{734}{1+734(0.05)^2} \quad n = \frac{734}{1+734(0.0025)}$$

3.4.1 | $n = \frac{734}{2.835} = 259$ (Business across 10 selected wards in Billiri LGA)

As a result, the sample size is 259 employees from all of the entrepreneurial businesses under investigation. However, in order to obtain their opinions on the impact of microfinance banks on the growth of entrepreneurship in Billiri Local Government Area of Gombe State, 6 staff was selected from the two Microfinance Bank of Billiri Local Government Area.

3.5 | Instrument for Data Collection

For the respondents selected for this study, a questionnaire of the likert-scale type was developed. The Likert scale indicates a person's level of agreement or disagreement with the question (Information Technology Services, 2010). It is a five-point rating scale designed to find out if microfinance banks have an impact on the growth of entrepreneurship in Billiri Local Government Area of Gombe State. From Strongly Agree (SA) (5), Agree (A) (4), Undecided (U) (3), Disagree (D) (2), and Strongly Disagree (SD) (1), the scale can be used. There are two sections to the questionnaire instrument. The respondents' socio-demographic information can be found in Section A, and the likert question in Section B addresses the research questions and hypotheses.

3.6 | Data Analysis Procedure

The researcher was able to synthesise and summarise the quantitative data by using descriptive statistics to analyze the collected data. Using frequencies, the descriptive statistics describe the sample in terms of the questions answered. Pearson and ANOVA were used to test hypotheses.

3.7 | Validity of Instrument

Content validity was modified to adequately measure coverage of the research topic in order to guarantee and certify the requirement of validity. The supervisor was given the instrument so that his level of comprehension could be examined, evaluated, and measured. His suggestions, observations, and recommendations were taken into consideration and adjusted accordingly.

3.8 | Reliability of the Instrument

On the other hand, a trial test was conducted to estimate the instrument's internal consistency. Ten electoral wards in the Gombe State's Billiri Local Government Area received the instrument. Using the Crombach Apha, the results of a trial test were used to determine the instrument's reliability. According to Gliem and Gliem (2003), provide the following rules of thumb; "≥.9 = Excellent, ≥.8 = Good, ≥.7 = Acceptable, ≥.6 = Questionable, ≥.5 = Poor, and ≤.5 Unacceptable". The alpha value for the construct indicated that the constituent items had reasonable internal consistency reliability of 0.86.

4 | RESULT AND ANALYSIS

Table 2. Distributions of Questionnaires

Respondents	No. of Questionnaire Administered	No. of Questionnaire Returned	Percentage Returned (%)
Bangaje North	31	29	12.2
Bangaje South	30	27	11.4
Bare	35	30	12.7
Billiri North	28	26	10.9
Billiri South	25	25	10.5
Kalmal	40	38	16
Todi	18	16	6.8
Tudu Kwaya	16	13	5.5
Tal	20	17	7.2
Tanglang	16	16	6.8
Total	259	237	100

Source: Field Survey, 2021

The primary instrument for this research exercise is questionnaire. A total of two hundred and fifty nine (259) copies of questionnaire administered to the 10 electoral ward of Billiri LGA of Gombe State and out of which two hundred and thirty seven (237) were returned. Out of the copies of questionnaire returned, one hundred and ninety two (192) copies were found to be useful representing response rate of 74 per cent.

Table 3. Characteristic of the Respondents

Gender	Response	Percentage (%)
Male	103	53.6
Female	89	46.4
Total	192	100
Educational Qualification		
B.Sc	22	11.5
HND	28	14.6
ND	40	20.8
NCE	17	8.8
SSCE	13	6.7
F_SCL	08	4.2
No formal Education	64	33.3
Total	192	100
Marital Status		
Married	93	48.4
Single	79	41.1
Divorce	20	10.5
Total	192	100

Source: Field Survey, 2021

The results of table 3 revealed that majority of the respondents are male 103 (53.6%). Most of the respondents are National Diploma and No formal education with 40(20.8%) and 64(33.3%) per cent respectively. So, it is believed that they should have different perceptions of the impact of micro-finance bank on entrepreneurial development in Billiri Local Government Area of Gombe State.

Question one: The relationship between microfinance banks and entrepreneurial development in Billiri Local Government Area of Gombe State.

Table 4: demonstrates that respondents believed that microfinance bank capital was increasingly advancing entrepreneurship in the Billiri Local Government Area of Gombe State. However, they were also of the opinion that Billiri's microfinance bank had helped numerous small and medium-sized businesses (SMEs) establish themselves. This is made conceivable through arrangement of certain motivating forces like momentary advances and different assets to pioneering outlets in the state.

Question Two: To what extent has microfinance bank impacted on the development of entrepreneurship in Billiri Local Government Area of Gombe State?

Table 5: 38% and 31.3 percent of employees believe that the start-up fund provided by the Microfinance Bank has contributed to the growth of entrepreneurship. By providing young entrepreneurs with financial advice, microfinance banks have contributed to the growth of entrepreneurship, with 38% and 31.3% of respondents agreeing. Again, 32.8% and 30.2% of respondents believe that the microfinance bank's role as a government agent has contributed to the growth of entrepreneurship. In addition, 21.4 per cent and 38 per cent of respondents believe that the microfinance bank's interest rate and loan reductions have contributed to the growth of entrepreneurship.

Question Three: What are the Problems militating against the effective financing of entrepreneurs by the microfinance banks in the attainment of their objective?

According to the aforementioned table 6, respondents believe that a lack of trust has forced microfinance banks to effectively finance entrepreneurs. Another response from employees is that 51% and 31.7% of respondents believe that government policy has slowed down the effective microfinance bank financing of young entrepreneurs. Employees also believed that entrepreneurs' ability to effectively finance themselves had been harmed by a high level of corruption. The percentage rates of 53% and 36% demonstrate this.

4.1 | Hypothesis Testing

The hypotheses were tested using Pearson Correlation statistics. Below is the interpretation of the three (3) formulated hypotheses.

Table 4. Responses on the relationship between microfinance banks and entrepreneurial development in Billiri Local Government Area of Gombe State.
Source: Field Survey, 2021

S/No.	Respondents	SA	A	U	D	SD
1	There is a positive relationship between microfinance bank and entrepreneurship development in Billiri LGA	70(36.5%)	50(26.0%)	12(6.3%)	30(15.6%)	30(15.6%)
2	Microfinance bank provides entrepreneurs with facilities like short term loans and other resources to Small and Medium Scale business within Billiri LGA	50(26.0%)	45(23.4%)	5(2.6%)	49(25.5%)	43(22.4%)
3	Many Entrepreneurship within Billiri have gain their capital through support of Microfinance Bank	57(29.7%)	50(26.9%)	8(4.2%)	44(22.9%)	33(17.2%)
4	Entrepreneurship development in Billiri increasing gaining ground in all the outlet	59(30.7%)	74(38.5%)	5(2.6%)	30(15.6%)	24(12.5%)

Table 5. Responses on the extent of microfinance bank impact on the development of entrepreneurship in Billiri Local Government Area of Gombe State.

S/No.	Respondents	SA	A	U	D	SD
1	Microfinance bank has impacted on the development of entrepreneurship through provision of capital for small scale business.	78(40.6%)	41(21.4%)	7(3.6%)	24(12.5%)	42(21.9%)
2	Microfinance bank has impacted on entrepreneurship development through provision of financial advice to young entrepreneurs in Billiri LGA	73(65.1%)	60(31.3%)	28(15.6%)	17(8.6%)	14(7.3%)
3	Microfinance bank impacted on the development of entrepreneurship through acting as local government agent in Billiri.	63(32.8%)	58(30.2%)	10(5.2%)	40(20.8%)	21(10.9%)
4	Microfinance bank has impacted on development of entrepreneurship through the reduction on interest rate and loan in Billiri LGA.	41(21.4%)	73(38%)	35(18.2%)	18(9.4%)	25(13%)

Source: Field Survey, 2021

Table 6. Problems militating against the effective financing of entrepreneurs by the microfinance banks in the attainment of their objective in Billiri Local Government Area of Gombe State.

S/No.	Respondents	SA	A	U	D	SD
1	Lack of trust has demanded the effectiveness supporting of entrepreneurs by microfinance in Billiri LGA	60(31.3%)	53(27.6%)	23(11.9%)	31(16.1%)	25(13%)
2	Government policy has slowed down the effective financing of the young entrepreneurs by microfinance bank in Billiri LGA	98(51%)	61(31.7%)	24(12.5%)	6(3.1%)	3(1.6%)
3	High level of corruption has affected the effective financing of entrepreneurs in Billiri LGA	102(53%)	70(36%)	8(4.2%)	7(3.6%)	5(2.6%)

Source: Field Survey, 2021

Table 7. Assessment of the relationship between microfinance bank and entrepreneurship development in Billiri Local Government Area of Gombe State.

		microfinance Bank	entrepreneurship Development
microfinance Bank	Pearson Correlation	1	.589**
	Sig. (2-tailed)		.007
	N	192	192
entrepreneurship Development	Pearson Correlation	.589**	1
	Sig. (2-tailed)	.007	
	N	192	192

** Correlation is significant at the 0.01 level (2-tailed).

According to the findings of the study, the Pearson correlation's absolute value indicates strength, with the absolute value indicating weakness or a stronger relationship or strength of the variables. However, the fact that the correlation has an absolute value of .589 and a significance level of .007 indicates that there is a significant relationship between the two variables. As a result, the Billiri Local Government Area of Gombe State's microfinance bank has a significant impact on the growth of entrepreneurship.

Ho₂: Microfinance bank has not impacted on the development of entrepreneurship in Billiri LGA

Table 8. Microfinance bank has not impacted on the development of entrepreneurship in Billiri LGA

ANOVA						
			Sum of Square	Df	Mean Square	F
Between Business	Small Scale	22.784	3	7.595	250.331	.000
Within Business	Small Scale	4.278	141	.030		
Total		27.062	144			

Source: SPSS, 23.0

There is a difference between the groups, as indicated by the low significance level (F.sig.05). Due to the fact that the F-value of 250.331, which has a significance level of .000, is below .05 (i.e., .000.05). As a result, entrepreneurship has grown significantly in Billiri LGA.

Ho₃: There are problems that militate against the effective financing of entrepreneurs by the microfinance banks in the attainment of their objective in Billiri LGA.

Table 9. There are problems that militate against the effective financing of entrepreneurs by the microfinance banks in the attainment of their objective in Billiri LGA.

			Sum of Square	Df	Mean Square	F	Sig.
Between Business	Small Scale	1.747	2	.873	1.029	.372	
Within Business	Small Scale	21.217	25	.849			
Total		22.964	27				

Source: SPSS, 23.0

The test's high significance level (F.sig>.372) indicated that there were no differences between the groups. Since the F-worth of 1.029 with an importance of .372 is more prominent than .05 (i.e. .372>.05), there exist no gathering distinction. As a result, the microfinance banks' ability to effectively finance entrepreneurs and achieve their goal is hindered by a number of issues.

5 | CONCLUSION AND RECOMMENDATIONS

The findings, conclusion, and recommendation are summarised in this chapter, which is divided into three sections below. According to the findings of the study, there is a significant connection between the growth of entrepreneurship in the Billiri LGA and the microfinance bank; The growth of entrepreneurship has not been significantly affected by the microfinance bank; The microfinance banks' ability to effectively finance entrepreneurs and achieve their goal is hindered by a number of issues. The findings of this study demonstrate that microfinance is an essential strategy for the growth of entrepreneurial endeavors. As evidenced by the data's presentation and analysis of the microfinance bank's impact on the

growth and development of entrepreneurial skills, its significance in entrepreneurship development cannot be overstated. However, the impact or contribution is insignificant. As a result, there is still a significant amount of work to be done to significantly increase the microfinance banks' contribution to and impact on the expansion of the index of business activities of own operations (entrepreneurship) in the Billiri LGA of Gombe State, Nigeria. The following suggestions are based on the findings of the study: Refinement projects of microfinance ought to be diverted to the provincial regions, for example, public courses could be held in rustic regions to give them legitimate direction on the exercises of the microfinance and how it can assist them with working on their business, Microfinance bank in Billiri LGA of Gombe State ought to be reinforced to embrace business venture void the impersonation and professional tendencies, Satisfactory monetary, physical and Human Resources ought to be given by different partners for potential as well as for existing SMEs, Microfinance banks ought to expand their arrangement of different administrations, for example, monetary exhortation, product advertising, miniature protection, renting and so on. Instead of leaving entrepreneurs entirely under the control of some state authorities or some private sectors, the Central Bank of Nigeria (CBN) ought to develop regulations that would allow it to be fully involved in the coordination of several other microfinance practitioners in grassroots and up towns.

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