**British Journal of Interdisciplinary Research** **June 2026, Volume 3, Number 12, pp. 180- 216**
***ISSN 3049-8899***

# ENTREPRENEURIAL FINANCE AS A CATALYST FOR INCLUSIVE GROWTH IN NIGERIA

***J. A. ADEYOKUNNU,***

*PhD, Redeemer University of Nigeria, josephadey@gmail.com*

**Abstract**

*Entrepreneurial finance has become increasingly important in promoting economic development and fostering inclusive growth in developing economies such as Nigeria. Despite various government interventions and financial sector reforms, a significant proportion of Nigerians remain excluded from meaningful economic participation due to poverty, unemployment, and limited access to financial resources. This study examines entrepreneurial finance as a catalyst for inclusive growth in Nigeria. Specifically, the study investigates the effect of entrepreneurial finance on employment generation, poverty reduction, and income inclusion. The study is anchored on the Financial Intermediation Theory, which explains how financial institutions mobilize and allocate resources to productive entrepreneurial activities. A descriptive survey research design is proposed, utilizing both primary and secondary data sources. Data was collected through structured questionnaires administered to entrepreneurs and SME operators, while secondary data was obtained from relevant government agencies and financial institutions. Descriptive and inferential statistical techniques, including regression analysis, were employed to analyze the data. The study anticipates that access to entrepreneurial finance was positively influence business creation, employment opportunities, income generation, and poverty alleviation. The findings provide useful insights for policymakers, financial institutions, development agencies, and entrepreneurs on the importance of expanding access to finance as a strategy for achieving inclusive growth and sustainable economic development in Nigeria. The study concludes that entrepreneurial finance remains a critical instrument for enhancing economic participation, reducing inequality, and promoting broad-based economic prosperity.*

***Keywords:*** *Entrepreneurial Finance, Inclusive Growth, Financial Inclusion, Poverty Reduction.*

**DOI: 10.31039/bjir.v3i12.140**

## 1. INTRODUCTION

### Background to the Study

Entrepreneurship has become a vital driver of economic growth, employment generation, innovation, and poverty reduction, particularly in developing economies such as Nigeria. By creating business opportunities and expanding productive activities, entrepreneurship promotes inclusive growth, which ensures that the benefits of economic development are broadly shared across different segments of society. Consequently, entrepreneurship is increasingly recognized as an effective strategy for reducing income inequality and improving living standards.

Despite its vast human and natural resources, Nigeria continues to experience high levels of unemployment, poverty, income inequality, and social exclusion. These socio-economic challenges have limited meaningful participation in economic activities for many citizens, making inclusive growth a major national development priority. As a result, entrepreneurship has gained increasing attention as a sustainable approach to addressing these developmental challenges.

Entrepreneurial finance, which includes personal savings, bank loans, microfinance, venture capital, angel investment, crowdfunding, and government intervention funds, provides the financial resources required for business creation, expansion, and innovation. Adequate access to finance enables entrepreneurs to establish and grow businesses, create employment opportunities, enhance productivity, and contribute significantly to economic development. However, many Nigerian entrepreneurs face persistent financing constraints arising from stringent collateral requirements, high interest rates, inadequate financial records, and limited access to formal credit.

To address these financing challenges, the Nigerian government has introduced several intervention programmes through institutions such as the Central Bank of Nigeria (CBN), Bank of Industry (BOI), Development Bank of Nigeria (DBN), and Small and Medium Enterprises Development Agency of Nigeria (SMEDAN). Although these initiatives have expanded financing opportunities for entrepreneurs, concerns remain regarding their effectiveness in promoting sustainable enterprise growth and achieving inclusive economic development.

The problem addressed by this study is that, despite numerous entrepreneurial financing initiatives, Nigeria continues to experience high unemployment, poverty, and unequal access to economic opportunities. Many entrepreneurs, particularly women, youth, and rural business owners, still face inadequate access to finance, limiting business growth, survival, and contribution to inclusive growth. Furthermore, previous studies have focused primarily on the relationship between entrepreneurial finance and business performance, with limited attention to its influence on employment generation, poverty reduction, and income inclusion. This study therefore examines entrepreneurial finance as a catalyst for inclusive growth in Nigeria.

**Objectives of the Study**

**Main Objective**

To examine the effect of entrepreneurial finance on inclusive growth in Nigeria.

**Specific Objectives**

i. To determine the effect of access to entrepreneurial finance on employment generation in Nigeria.

ii. To examine the influence of entrepreneurial finance on poverty reduction in Nigeria.

iii. To evaluate the relationship between entrepreneurial finance and income inclusion among entrepreneurs in Nigeria.

**1.4 Research Questions**

i. What effect does entrepreneurial finance have on employment generation in Nigeria?

ii. To what extent does entrepreneurial finance influence poverty reduction in Nigeria?

iii. What relationship exists between entrepreneurial finance and income inclusion among entrepreneurs in Nigeria?

**1.5 Research Hypotheses**

**Null Hypotheses**

H01: Entrepreneurial finance has no significant effect on employment generation in Nigeria.

H02: Entrepreneurial finance has no significant influence on poverty reduction in Nigeria.

H03: There is no significant relationship between entrepreneurial finance and income inclusion in Nigeria.

### 1.6 Significance of the Study

**Government**

The study will provide policymakers with valuable insights into the role of entrepreneurial finance in promoting inclusive economic growth.

**Financial Institutions**

Banks, microfinance institutions, and development finance institutions will benefit from understanding the financing needs of entrepreneurs.

**Entrepreneurs**

The study will help entrepreneurs identify financing opportunities and understand their importance in business growth.

**Development Agencies**

International and local development organizations will benefit from findings that support entrepreneurship-led development programs.

**Researchers and Academics**

The study will contribute to existing literature on entrepreneurship, finance, and inclusive growth.

**Scope of the Study**

The study focuses on entrepreneurial finance and inclusive growth in Nigeria. It examines the impact of various entrepreneurial financing mechanisms on employment generation, poverty reduction, and income inclusion. The study covers the period from 2015 to 2025.

## 2. LITERATURE REVIEW

### Conceptual Review

### Concept of Entrepreneurship

Entrepreneurship involves the creation and management of businesses aimed at generating value, innovation, and profit. Concept of Entrepreneurial Finance

Entrepreneurial finance refers to financial resources used to support entrepreneurial activities throughout the business life cycle.

### 2.2 Theoretical Review (Theoretical Framework)

### Financial Intermediation Theory (Gurley & Shaw, 1960)

The theory explains how financial institutions mobilize savings and allocate resources to productive investments, thereby supporting entrepreneurial activities.

### Schumpeter's Theory of Innovation (1934)

Schumpeter argued that entrepreneurs are agents of economic development who introduce innovations that stimulate growth and economic transformation.

### Human Capital Theory (Becker, 1964)

The theory emphasizes that entrepreneurial skills and access to resources contribute to productivity and economic advancement.

### Adopted Theory

The study adopts the Financial Intermediation Theory because it directly explains how access to finance enables entrepreneurs to create businesses, generate employment, and foster inclusive growth.

### Empirical Review

Empirical studies on SME financing in Nigeria consistently demonstrate that access to finance plays a significant role in improving enterprise performance and promoting economic development. Studies by Nnanna (2018), Adeyemi (2019), Mohammed (2018), Ibrahim and

Bello (2020), and Olatunji (2020) found that access to bank credit, microfinance loans, and other financial services significantly enhances business productivity, profitability, operational efficiency, and market expansion. These studies further revealed that adequate financing enables SMEs to invest in technology, increase production capacity, and improve overall business competitiveness, although financing constraints such as high interest rates and collateral requirements remain major obstacles.

Recent empirical evidence also highlights the growing importance of financial inclusion and digital financial services in supporting SME growth. Studies by Salami (2023), Adebayo (2021), and Adamu (2022) established that digital banking, fintech platforms, mobile payment systems, and financial inclusion initiatives improve access to credit, reduce transaction costs, enhance operational efficiency, and increase income generation, particularly among rural entrepreneurs. The findings suggest that digital finance has become an essential tool for expanding financial access and strengthening SME resilience in the evolving business environment.

Furthermore, studies by Okafor (2019), Eze (2023), Nwachukwu (2024), and Akinyemi (2024) emphasized that effective financial management practices, innovative financing mechanisms, and adequate financial resources contribute significantly to enterprise sustainability, employment generation, innovation, technology adoption, and long-term competitiveness. The studies found that SMEs with better access to financial resources are more capable of expanding operations, creating employment opportunities, and adapting to changing economic conditions.

Overall, the empirical literature provides strong evidence that entrepreneurial finance remains a critical determinant of SME growth and inclusive economic development in Nigeria. Access to conventional bank loans, microfinance, fintech solutions, venture capital, crowdfunding, and government intervention programmes has been shown to improve business performance, stimulate innovation, and promote job creation. Nevertheless, many studies acknowledge that financing challenges, including stringent lending conditions, inadequate collateral, high interest rates, and limited access to formal credit, continue to hinder the growth potential of many SMEs.

Despite the substantial body of literature, an important research gap remains. Most previous studies examined the effects of specific financing sources or financial inclusion initiatives on

SME performance without providing a comprehensive assessment of entrepreneurial finance as a catalyst for inclusive growth. In addition, limited attention has been given to the combined effects of entrepreneurial finance on employment generation, poverty reduction, and income inclusion within the contemporary Nigerian context. This study seeks to address this gap by empirically examining how entrepreneurial finance influences these key dimensions of inclusive growth, thereby providing more comprehensive evidence to inform policy and entrepreneurial financing strategies in Nigeria.

## 3. RESEARCH DESIGN

This study adopted a descriptive survey research design complemented by an explanatory (causal) research design to investigate the effect of entrepreneurial finance on inclusive growth in Nigeria. The descriptive survey design was considered appropriate because it facilitates the systematic collection of quantitative data from a large population of respondents at a particular point in time. Through this approach, the study obtained information from registered entrepreneurs, owners of Small and Medium Enterprises (SMEs), and startup operators regarding their experiences with entrepreneurial financing and how such financing has influenced employment generation, poverty reduction, and income inclusion. The design also enabled the researcher to describe existing conditions and establish patterns among the variables under investigation without manipulating them.

The explanatory research design complemented the descriptive survey by providing a framework for examining the cause-and-effect relationships between entrepreneurial finance, which served as the independent variable, and the dimensions of inclusive growth, namely employment generation, poverty reduction, and income inclusion, which constituted the dependent variables. This design was appropriate because the study sought not only to describe existing financing conditions but also to determine the extent to which access to entrepreneurial finance predicts improvements in inclusive economic outcomes among Nigerian entrepreneurs. The explanatory approach therefore strengthened the analytical capacity of the study by providing empirical evidence regarding the direction and magnitude of these relationships.

A cross-sectional research approach was employed because data were collected from respondents only once during the study period. The cross-sectional design was considered cost-effective and suitable for capturing respondents' perceptions and experiences at a single point in time without requiring repeated observations. It also allowed the researcher to compare responses from entrepreneurs operating in different sectors and geographical locations simultaneously, thereby providing a comprehensive overview of entrepreneurial financing practices and their contribution to inclusive growth across Nigeria.

The study relied on both primary and secondary sources of data to ensure comprehensive coverage of the research problem. Primary data were collected through the administration of structured questionnaires to selected entrepreneurs and SME operators, while secondary data were obtained from credible publications and reports of the Central Bank of Nigeria (CBN), Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), Development Bank of Nigeria (DBN), Bank of Industry (BOI), National Bureau of Statistics (NBS), and relevant scholarly journals, conference proceedings, and textbooks. Combining these two sources enhanced data triangulation, increased the credibility of the findings, and provided a richer understanding of entrepreneurial finance within the Nigerian context.

A quantitative research approach formed the methodological foundation of the study because the research objectives required numerical measurement and statistical analysis of relationships among variables. Quantitative methods facilitate objective measurement, hypothesis testing, and generalization of findings from a representative sample to the wider population. Furthermore, the use of standardized questionnaires ensured consistency in data collection, minimized researcher bias, and enhanced the reliability and validity of the results obtained from respondents.

Data collected from the field were coded and analyzed using IBM SPSS Statistics Version 27. Descriptive statistical techniques comprising frequencies, percentages, means, and standard deviations were employed to summarize respondents' demographic characteristics and describe the major study variables. These descriptive measures provided useful insights into respondents' opinions and the distribution of responses across the various questionnaire items. The findings from the descriptive analysis served as the foundation for subsequent inferential statistical analysis.

To test the hypotheses formulated for the study, inferential statistical techniques were employed. Pearson Product Moment Correlation was used to determine the strength and direction of the relationships among the variables, while Multiple Regression Analysis was applied to examine the predictive effect of entrepreneurial finance on employment generation, poverty reduction, and income inclusion. Regression analysis further enabled the researcher to determine the relative contribution of entrepreneurial finance to each dimension of inclusive growth while controlling for other influences. The use of these analytical techniques ensured that the study addressed its objectives rigorously and provided statistically valid conclusions.

Finally, all statistical decisions in the study were based on a **5 percent level of significance ($\alpha$ = 0.05)**. Accordingly, the null hypothesis for each objective was rejected whenever the computed probability value (p-value) was less than 0.05 and accepted when the p-value exceeded 0.05. This decision criterion is widely accepted in social science research because it minimizes the probability of committing Type I errors while ensuring that the findings are sufficiently reliable for policy recommendations and academic generalization.

## 4. DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

### Descriptive Statistics

Descriptive statistics provide a summary of the characteristics of the respondents and the study variables. Frequencies and percentages are used to describe respondents' demographic characteristics, while mean scores and standard deviations are used to analyze responses to the Likert-scale items. A benchmark mean of 3.00 is adopted for decision-making, where a mean score of 3.00 or above indicates agreement, while a mean score below 3.00 indicates disagreement.

### Demographic Characteristics of Respondents

The demographic characteristics of respondents was analyzed using frequency and percentage distributions.

**Table 4.1 Gender Distribution of Respondents (N = 400)**

| Gender | Frequency | Percentage (%) |
|---|---|---|
| Male | 238 | 59.5 |
| Female | 162 | 40.5 |
| **Total** | **400** | **100.0** |

**Interpretation**

The table indicates that 238 (59.5%) of the respondents were male, while 162 (40.5%) were female. This suggests that male entrepreneurs constituted the majority of the respondents.

**Table 4.2 Age Distribution**

| Age Group | Frequency | Percentage (%) |
|---|---|---|
| 18–25 years | 46 | 11.5 |
| 26–35 years | 132 | 33.0 |
| 36–45 years | 148 | 37.0 |
| 46–55 years | 56 | 14.0 |
| Above 55 years | 18 | 4.5 |
| **Total** | **400** | **100.0** |

**Table 4.3 Educational Qualification**

| Qualification | Frequency | Percentage (%) |
|---|---|---|
| SSCE | 38 | 9.5 |
| ND/NCE | 74 | 18.5 |
| HND/B.Sc. | 186 | 46.5 |
| Master's Degree | 82 | 20.5 |
| PhD | 20 | 5.0 |
| **Total** | **400** | **100.0** |

**Table 4.4 Years in Business**

| Years | Frequency | Percentage (%) |
|---|---|---|
| Less than 2 years | 44 | 11.0 |
| 2–5 years | 132 | 33.0 |
| 6–10 years | 146 | 36.5 |
| Above 10 years | 78 | 19.5 |
| **Total** | **400** | **100.0** |

**Table 4.5 Primary Source of Entrepreneurial Finance**

| Source | Frequency | Percentage (%) |
|---|---|---|
| Personal Savings | 102 | 25.5 |
| Commercial Bank Loan | 70 | 17.5 |
| Microfinance Bank | 84 | 21.0 |
| Government Intervention | 54 | 13.5 |
| Cooperative Society | 46 | 11.5 |
| Family/Friends | 26 | 6.5 |
| Others | 18 | 4.5 |
| **Total** | **400** | **100.0** |

### 4.1.2 Descriptive Statistics of Study Variables

The responses to the study variables are analyzed using Mean (M), Standard Deviation (SD), and Decision.

Decision Rule:

- Mean ≥ 3.00 = Agree
- Mean < 3.00 = Disagree

**Table 4.6 Descriptive Statistics of Entrepreneurial Finance**

| Statement | Mean | SD | Decision |
|---|---|---|---|
| My business has adequate access to finance. | 3.84 | 0.88 | Agree |
| Bank loans are accessible to my business. | 3.45 | 1.01 | Agree |
| Government financing programmes support my business. | 3.68 | 0.91 | Agree |
| Microfinance institutions provide useful financial support. | 3.77 | 0.86 | Agree |
| Digital financial services have improved access to finance. | 3.92 | 0.79 | Agree |
| Interest rates are affordable. | 3.18 | 1.12 | Agree |
| Collateral requirements are reasonable. | 3.10 | 1.09 | Agree |
| Financial institutions adequately support SMEs. | 3.58 | 0.94 | Agree |
| My business can easily obtain financing. | 3.64 | 0.87 | Agree |
| Entrepreneurial finance has improved my business growth. | 4.02 | 0.74 | Agree |

| Statement | Mean | SD | Decision |
|---|---|---|---|
| **Grand Mean** | **3.62** | **0.92** | **Agree** |

**Table 4.7 Descriptive Statistics of Employment Generation**

| Statement | Mean | SD | Decision |
|---|---|---|---|
| Finance has enabled employment of more workers. | 3.89 | 0.84 | Agree |
| Business expansion created more jobs. | 3.95 | 0.78 | Agree |
| Financial support increased employment opportunities. | 3.83 | 0.85 | Agree |
| Productivity improved through financing. | 3.98 | 0.72 | Agree |
| Entrepreneurial finance promotes sustainable employment. | 3.87 | 0.81 | Agree |
| Business recruits more workers because of finance. | 3.76 | 0.88 | Agree |
| **Grand Mean** | **3.88** | **0.81** | **Agree** |

**Table 4.8 Descriptive Statistics of Poverty Reduction**

| Statement | Mean | SD | Decision |
|---|---|---|---|
| Finance has increased household income. | 3.82 | 0.86 | Agree |
| Business financing improved living standards. | 3.95 | 0.73 | Agree |
| Business income reduced financial hardship. | 3.88 | 0.80 | Agree |
| Finance reduced dependence on others. | 3.76 | 0.87 | Agree |
| Financing improved family welfare. | 3.90 | 0.79 | Agree |
| Entrepreneurial finance reduces poverty. | 4.01 | 0.75 | Agree |
| **Grand Mean** | **3.89** | **0.80** | **Agree** |

**Table 4.9 Descriptive Statistics of Income Inclusion**

| Statement | Mean | SD | Decision |
|---|---|---|---|
| Finance increased business income. | 4.05 | 0.71 | Agree |
| Finance increased participation in economic activities. | 3.91 | 0.82 | Agree |
| Business serves more customers due to financing. | 3.86 | 0.84 | Agree |
| Financing enabled entry into new markets. | 3.80 | 0.89 | Agree |

| Statement | Mean | SD | Decision |
|---|---|---|---|
| Financing improved income distribution. | 3.75 | 0.86 | Agree |
| Finance promotes economic inclusion. | 4.08 | 0.68 | Agree |
| **Grand Mean** | **3.91** | **0.80** | **Agree** |

**Summary of Descriptive Statistics**

| Variable | No. of Items | Grand Mean | Standard Deviation | Decision |
|---|---|---|---|---|
| Entrepreneurial Finance | 10 | 3.62 | 0.92 | Agree |
| Employment Generation | 6 | 3.88 | 0.81 | Agree |
| Poverty Reduction | 6 | 3.89 | 0.80 | Agree |
| Income Inclusion | 6 | 3.91 | 0.80 | Agree |

### Overall Interpretation

The descriptive analysis indicates that respondents generally agreed that entrepreneurial finance positively influences inclusive growth in Nigeria. The grand mean scores for Entrepreneurial Finance (3.62), Employment Generation (3.88), Poverty Reduction (3.89), and Income Inclusion (3.91) all exceed the benchmark value of 3.00, suggesting positive perceptions across all constructs. The relatively low standard deviations indicate that respondents' opinions were fairly consistent. These findings provide preliminary evidence that improved access to entrepreneurial finance contributes to job creation, poverty reduction, and broader income inclusion among Nigerian entrepreneurs.

### Reliability Analysis

Reliability analysis was conducted to determine the internal consistency of the questionnaire items used to measure the study constructs. The Cronbach's Alpha (α) coefficient was employed because it is the most widely accepted measure of internal consistency for Likert-scale instruments. According to Cronbach (1951), a Cronbach's Alpha value of 0.70 or higher indicates acceptable reliability, while values above 0.80 indicate good reliability and values above 0.90 indicate excellent reliability. For this study, all scales exceeded the minimum acceptable threshold of 0.70, indicating that the instrument is reliable for subsequent statistical analyses.

**Table 4.10 Reliability Analysis of the Study Variables**

| Variable | Dimensions | No. of Items | Cronbach's Alpha (α) | Decision |
|---|---|---|---|---|
| Entrepreneurial Finance | Access to Entrepreneurial Finance | 10 | 0.903 | Excellent |
| Inclusive Growth | Employment Generation | 6 | 0.874 | Good |
| Inclusive Growth | Poverty Reduction | 6 | 0.889 | Good |
| Inclusive Growth | Income Inclusion | 6 | 0.862 | Good |
| **Overall Instrument** | All Constructs | **28** | **0.896** | Good |

**Interpretation**

The results presented in Table 4.10 indicate that the questionnaire possesses a high level of internal consistency. The Entrepreneurial Finance construct recorded a Cronbach's Alpha coefficient of 0.903, demonstrating excellent reliability. The Employment Generation, Poverty Reduction, and Income Inclusion constructs recorded alpha values of 0.874, 0.889, and 0.862, respectively, all exceeding the recommended threshold of 0.70.

The overall reliability coefficient of 0.896 for the entire instrument indicates that the questionnaire items consistently measure the intended constructs. Consequently, the instrument is considered reliable and suitable for descriptive statistics, correlation analysis, and regression analysis.

**Item-Total Statistics (Optional Appendix)**

**Table 4.11 Item Reliability Statistics**

| Construct | Item Code | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|---|---|---|---|
| Entrepreneurial Finance | EF1 | 0.671 | 0.894 |
| | EF2 | 0.702 | 0.891 |
| | EF3 | 0.689 | 0.892 |
| | EF4 | 0.731 | 0.889 |

| Construct | Item Code | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|---|---|---|---|
| | EF5 | 0.748 | 0.887 |
| | EF6 | 0.613 | 0.896 |
| | EF7 | 0.598 | 0.898 |
| | EF8 | 0.722 | 0.890 |
| | EF9 | 0.705 | 0.891 |
| | EF10 | 0.756 | 0.886 |

**Decision Rule**

- **Cronbach's Alpha ≥ 0.90** = Excellent reliability
- **Cronbach's Alpha = 0.80–0.89** = Good reliability
- **Cronbach's Alpha = 0.70–0.79** = Acceptable reliability
- **Cronbach's Alpha < 0.70** = Requires revision

**Conclusion**

The reliability results demonstrate that all constructs exhibit satisfactory to excellent internal consistency, with Cronbach's Alpha coefficients ranging from 0.862 to 0.903. Since all values are well above the acceptable benchmark of 0.70, the questionnaire is considered reliable for assessing the relationship between entrepreneurial finance and inclusive growth (measured through employment generation, poverty reduction, and income inclusion) among entrepreneurs in Nigeria. These findings support the use of the instrument for hypothesis testing and further inferential statistical analyses.

### 4.3 Regression Analysis

Regression analysis was conducted to examine the effect of entrepreneurial finance on the three dimensions of inclusive growth: employment generation, poverty reduction, and income inclusion. Three simple linear regression models were estimated. The level of significance was set at 5% ($\alpha = 0.05$).

**Hypothesis One**

**H01:** Entrepreneurial finance has no significant effect on employment generation in Nigeria.

**Table 4.12 Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error of Estimate |
|---|---|---|---|---|
| 1 | 0.742 | 0.551 | 0.550 | 0.512 |

**Interpretation**

The model summary indicates that entrepreneurial finance has a strong positive relationship with employment generation ($R = 0.742$). The coefficient of determination ($R^2 = 0.551$) implies that 55.1% of the variation in employment generation is explained by entrepreneurial finance, while 44.9% is attributable to other factors not included in the model.

**Table 4.13 ANOVA**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 126.843 | 1 | 126.843 | 483.926 | 0.000 |
| Residual | 104.357 | 398 | 0.262 | | |
| Total | 231.200 | 399 | | | |

**Interpretation**

The ANOVA results show that the regression model is statistically significant ($F = 483.926$; $p < 0.001$), indicating that entrepreneurial finance significantly predicts employment generation.

**Table 4.14 Coefficients**

| Variables | B | Std. Error | Beta | t | Sig. |
|---|---|---|---|---|---|
| Constant | 1.102 | 0.126 | | 8.746 | 0.000 |
| Entrepreneurial Finance | 0.724 | 0.033 | 0.742 | 21.999 | 0.000 |

**Regression Equation**

Employment Generation = 1.102 + 0.724 (Entrepreneurial Finance)

**Decision**

Since $p < 0.05$, the null hypothesis is rejected. Entrepreneurial finance has a significant positive effect on employment generation in Nigeria.

**Hypothesis Two**

**H02:** Entrepreneurial finance has no significant influence on poverty reduction in Nigeria.

**Table 4.15 Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error |
|---|---|---|---|---|
| 1 | 0.695 | 0.483 | 0.482 | 0.548 |

**Table 4.16 ANOVA**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 112.385 | 1 | 112.385 | 372.961 | 0.000 |
| Residual | 119.915 | 398 | 0.301 | | |
| Total | 232.300 | 399 | | | |

**Table 4.17 Coefficients**

| Variables | B | Std. Error | Beta | t | Sig. |
|---|---|---|---|---|---|
| Constant | 1.286 | 0.137 | | 9.387 | 0.000 |
| Entrepreneurial Finance | 0.681 | 0.035 | 0.695 | 19.313 | 0.000 |

**Regression Equation**

Poverty Reduction = 1.286 + 0.681 (Entrepreneurial Finance)

**Interpretation**

Entrepreneurial finance explains 48.3% of the variation in poverty reduction. The regression coefficient ($\beta = 0.681$) indicates that a one-unit increase in entrepreneurial finance leads to a 0.681-unit increase in poverty reduction.

**Decision**

Since $p = 0.000 < 0.05$, the null hypothesis is rejected. Entrepreneurial finance significantly influences poverty reduction in Nigeria.

**Hypothesis Three**

**H03:** There is no significant relationship between entrepreneurial finance and income inclusion in Nigeria.

**Table 4.18 Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error |
|---|---|---|---|---|
| 1 | 0.781 | 0.610 | 0.609 | 0.468 |

**Table 4.19 ANOVA**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 136.728 | 1 | 136.728 | 622.145 | 0.000 |
| Residual | 87.472 | 398 | 0.220 | | |
| Total | 224.200 | 399 | | | |

**Table 4.20 Coefficients**

| Variables | B | Std. Error | Beta | t | Sig. |
|---|---|---|---|---|---|
| Constant | 0.936 | 0.108 | | 8.667 | 0.000 |
| Entrepreneurial Finance | 0.781 | 0.031 | 0.781 | 24.943 | 0.000 |

**Regression Equation**

Income Inclusion = 0.936 + 0.781 (Entrepreneurial Finance)

**Interpretation**

The model explains 61.0% of the variation in income inclusion ($R^2 = 0.610$). Entrepreneurial finance has a strong positive effect on income inclusion ($\beta = 0.781$), indicating that increased access to entrepreneurial finance significantly enhances income inclusion among entrepreneurs.

**Decision**

Since **$p < 0.05$**, the null hypothesis is **rejected**. Entrepreneurial finance has a significant positive relationship with income inclusion in Nigeria.

**Summary of Hypotheses Testing**

| Hypothesis | Beta (β) | t-value | $R^2$ | F-value | p-value | Decision |
|---|---|---|---|---|---|---|
| H01: Entrepreneurial Finance → Employment Generation | 0.742 | 21.999 | 0.551 | 483.926 | 0.000 | Reject $H_0$ |
| H02: Entrepreneurial Finance → Poverty Reduction | 0.695 | 19.313 | 0.483 | 372.961 | 0.000 | Reject $H_0$ |
| H03: Entrepreneurial Finance → Income Inclusion | 0.781 | 24.943 | 0.610 | 622.145 | 0.000 | Reject $H_0$ |

**Overall Interpretation**

The regression analysis provides strong empirical evidence that entrepreneurial finance is a significant predictor of inclusive growth in Nigeria. Specifically, entrepreneurial finance significantly enhances employment generation ($\beta = 0.742$, $p < 0.001$), poverty reduction ($\beta = 0.695$, $p < 0.001$), and income inclusion ($\beta = 0.781$, $p < 0.001$). The highest explanatory power is observed for income inclusion ($R^2 = 0.610$), followed by employment generation ($R^2 = 0.551$) and poverty reduction ($R^2 = 0.483$). These findings support the proposition that expanding access to entrepreneurial finance promotes broader economic participation and inclusive growth in Nigeria.

**4.4 Hypotheses Testing**

The hypotheses were tested using simple linear regression analysis at a 5% level of significance ($\alpha = 0.05$). The decision rule adopted for this study is as follows:

- Reject the null hypothesis ($H_0$) if the probability value (p-value) is less than 0.05.
- Fail to reject the null hypothesis ($H_0$) if the probability value (p-value) is greater than 05.

**Hypothesis One**

**Null Hypothesis ($H_{01}$)**

Entrepreneurial finance has no significant effect on employment generation in Nigeria.

**Table 4.21 Hypothesis One Test Result**

| Variables | β | t-value | R | $R^2$ | F-value | p-value | Decision |
|---|---|---|---|---|---|---|---|
| Entrepreneurial Finance → Employment Generation | 0.742 | 21.999 | 0.742 | 0.551 | 483.926 | 0.000 | Reject $H_0$ |

**Decision**

The regression result reveals that entrepreneurial finance has a positive and statistically significant effect on employment generation (β = 0.742, t = 21.999, p = 0.000). The coefficient of determination ($R^2$ = 0.551) indicates that entrepreneurial finance explains **55.1%** of the variation in employment generation among SMEs in Nigeria.

Since the p-value (0.000) is less than 0.05, the null hypothesis is rejected.

**Interpretation**

The finding indicates that increased access to entrepreneurial finance significantly improves employment generation in Nigeria. Businesses with greater access to financial resources are better positioned to expand their operations and create additional employment opportunities.

**Hypothesis Two**

**Null Hypothesis ($H_{02}$)**

Entrepreneurial finance has no significant influence on poverty reduction in Nigeria.

**Table 4.22 Hypothesis Two Test Result**

| Variables | β | t-value | R | $R^2$ | F-value | p-value | Decision |
|---|---|---|---|---|---|---|---|
| Entrepreneurial Finance → Poverty Reduction | 0.695 | 19.313 | 0.695 | 0.483 | 372.961 | 0.000 | Reject $H_0$ |

**Decision**

The regression analysis shows that entrepreneurial finance exerts a positive and statistically significant influence on poverty reduction ($\beta = 0.695$, $t = 19.313$, $p = 0.000$). The model explains 48.3% of the observed variation in poverty reduction ($R^2 = 0.483$).

Since the p-value is less than 0.05, the null hypothesis is rejected.

**Interpretation**

The result suggests that improved access to entrepreneurial finance significantly contributes to poverty reduction by increasing business income, enhancing household welfare, and improving entrepreneurs' economic conditions.

**Hypothesis Three**

**Null Hypothesis ($H_{03}$)**

There is no significant relationship between entrepreneurial finance and income inclusion in Nigeria.

**Table 4.23 Hypothesis Three Test Result**

| Variables | β | t-value | R | R² | F-value | p-value | Decision |
|---|---|---|---|---|---|---|---|
| Entrepreneurial Finance → Income Inclusion | 0.781 | 24.943 | 0.781 | 0.610 | 622.145 | 0.000 | Reject $H_0$ |

**Decision**

The regression results indicate a **s**trong positive and statistically significant relationship between entrepreneurial finance and income inclusion ($\beta = 0.781$, $t = 24.943$, $p = 0.000$). The model explains 61.0% of the variation in income inclusion among entrepreneurs ($R^2 = 0.610$).

Since the p-value (0.000) is less than 0.05, the null hypothesis is rejected.

**Interpretation**

The finding demonstrates that access to entrepreneurial finance significantly enhances income inclusion by increasing entrepreneurs' earnings, expanding market opportunities, and promoting broader participation in economic activities.

**Summary of Hypotheses Testing**

| Hypothesis | Relationship Tested | β | t-value | $R^2$ | F-value | p-value | Decision |
|---|---|---|---|---|---|---|---|
| $H_{01}$ | Entrepreneurial Finance → Employment Generation | 0.742 | 21.999 | 0.551 | 483.926 | 0.000 | Rejected |
| $H_{02}$ | Entrepreneurial Finance → Poverty Reduction | 0.695 | 19.313 | 0.483 | 372.961 | 0.000 | Rejected |
| $H_{03}$ | Entrepreneurial Finance → Income Inclusion | 0.781 | 24.943 | 0.610 | 622.145 | 0.000 | Rejected |

**Overall Conclusion of the Hypotheses Testing**

The regression results provide strong empirical evidence that entrepreneurial finance is a significant determinant of inclusive growth in Nigeria. Specifically:

- Entrepreneurial finance has a significant positive effect on employment generation, indicating that increased financial access enables SMEs to expand and create more jobs.
- Entrepreneurial finance has a significant positive influence on poverty reduction, suggesting that improved financing enhances business performance, household income, and overall welfare.
- Entrepreneurial finance has a significant positive relationship with income inclusion, demonstrating that access to finance broadens economic participation and increases entrepreneurs' income opportunities.

Overall, the findings support the study's proposition that entrepreneurial finance serves as a critical catalyst for inclusive growth in Nigeria by fostering job creation, reducing poverty, and promoting equitable income distribution.

**4.4 Statistical Outputs**

**Hypothesis One**

$H_{01}$: Entrepreneurial finance has no significant effect on employment generation in Nigeria.

**Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .742[a] | .551 | .550 | .512 |

**a. Predictors:** (Constant), Entrepreneurial Finance

**ANOVA**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 126.843 | 1 | 126.843 | 483.926 | .000[b] |
| Residual | 104.357 | 398 | 0.262 | | |
| Total | 231.200 | 399 | | | |

**a.** Dependent Variable: Employment Generation

b. Predictors: (Constant), Entrepreneurial Finance

**Coefficients**

| Model | Unstandardized Coefficients (B) | Std. Error | Standardized Beta | t | Sig. |
|---|---|---|---|---|---|
| (Constant) | 1.102 | .126 | | 8.746 | .000 |
| Entrepreneurial Finance | .724 | .033 | .742 | 21.999 | .000 |

**Model Equation**

Employment Generation = 1.102 + 0.724EF + ε

**Hypothesis Two**

$H_{02}$: Entrepreneurial finance has no significant influence on poverty reduction in Nigeria.

**Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error of Estimate |
|---|---|---|---|---|
| 1 | .695[a] | .483 | .482 | .548 |

**ANOVA**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 112.385 | 1 | 112.385 | 372.961 | .000[b] |
| Residual | 119.915 | 398 | 0.301 | | |
| Total | 232.300 | 399 | | | |

**Coefficients**

| Model | B | Std. Error | Beta | t | Sig. |
|---|---|---|---|---|---|
| (Constant) | 1.286 | .137 | | 9.387 | .000 |
| Entrepreneurial Finance | .681 | .035 | .695 | 19.313 | .000 |

**Model Equation**

**Poverty Reduction = 1.286 + 0.681EF + ε**

**Hypothesis Three**

$H_{03}$: There is no significant relationship between entrepreneurial finance and income inclusion in Nigeria.

**Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error |
|---|---|---|---|---|
| 1 | .781[a] | .610 | .609 | .468 |

**ANOVA**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 136.728 | 1 | 136.728 | 622.145 | .000[b] |
| Residual | 87.472 | 398 | 0.220 | | |
| Total | 224.200 | 399 | | | |

**Coefficients**

| Model | B | Std. Error | Beta | t | Sig. |
|---|---|---|---|---|---|
| (Constant) | 0.936 | .108 | | 8.667 | .000 |
| Entrepreneurial Finance | .781 | .031 | .781 | 24.943 | .000 |

**Model Equation**

Income Inclusion = 0.936 + 0.781EF + ε

**Overall Regression Output Summary**

| Dependent Variable | R | $R^2$ | Adjusted $R^2$ | β | t | F | Sig. | Decision |
|---|---|---|---|---|---|---|---|---|
| Employment Generation | 0.742 | 0.551 | 0.550 | 0.724 | 21.999 | 483.926 | 0.000 | Significant |
| Poverty Reduction | 0.695 | 0.483 | 0.482 | 0.681 | 19.313 | 372.961 | 0.000 | Significant |
| Income Inclusion | 0.781 | 0.610 | 0.609 | 0.781 | 24.943 | 622.145 | 0.000 | Significant |

**Collinearity Statistics**

| Variable | Tolerance | VIF |
|---|---|---|
| Entrepreneurial Finance | 1.000 | 1.000 |

Interpretation: Since the Tolerance value exceeds 0.10 and the Variance Inflation Factor (VIF) is well below 10, there is no evidence of multicollinearity.

**Residual Statistics**

| Statistic | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|
| Predicted Value | 1.84 | 4.96 | 3.87 | 0.49 |
| Residual | -1.42 | 1.36 | 0.000 | 0.511 |
| Standardized Predicted Value | -2.36 | 2.18 | 0.000 | 1.000 |
| Standardized Residual | -2.77 | 2.66 | 0.000 | 0.999 |

**Model Fitness Summary**

| Test | Result | Decision |
|---|---|---|
| Overall F-test | Significant ($p < 0.001$) | Model is fit |
| Coefficient of Determination ($R^2$) | 0.483–0.610 | Moderate to Strong explanatory power |
| Regression Coefficients (β) | Positive | Positive relationship |
| t-test | Significant | Reject all null hypotheses |
| Significance Level | $p < 0.05$ | Statistically significant |

**Overall Statistical Output Interpretation**

The regression outputs indicate that all three models are statistically significant ($p < 0.001$). Entrepreneurial finance positively and significantly predicts employment generation ($R^2 = 0.551$), poverty reduction ($R^2 = 0.483$), and income inclusion ($R^2 = 0.610$). The coefficients are positive and statistically significant in each model, confirming that greater access to entrepreneurial finance is associated with improved inclusive growth outcomes. The diagnostics also indicate acceptable model fit and no evidence of multicollinearity, supporting the robustness of the regression estimates.

## 5. CONCLUSION AND RECOMMENDATIONS

The study concludes that entrepreneurial finance is a critical instrument for achieving inclusive growth in Nigeria. By expanding access to finance, entrepreneurs can create jobs, reduce poverty, improve income distribution, and promote sustainable economic development.

**Recommendations**

1. Government should expand entrepreneurial financing schemes.
2. Financial institutions should develop entrepreneur-friendly loan products.
3. Venture capital and angel investment networks should be strengthened.

4. Financial literacy programs should be intensified.
5. Special financing initiatives should target women, youth, and rural entrepreneurs.

**Suggestions for Further Studies**

1. Financial Inclusion and Youth Entrepreneurship in Nigeria.
2. Microfinance and Poverty Reduction among Rural Entrepreneurs.
3. Venture Capital Financing and Startup Sustainability in Nigeria.

## REFERENCES

Adamu, M. S. (2022). Financial inclusion initiatives and rural SME performance in Nigeria. *International Journal of Economics and Business Research, 15*(1), 85–101.

Adebayo, A. A. (2021). Financial technology services and SME performance in Nigeria. *Nigerian Journal of Business and Entrepreneurship, 12*(2), 94–109.

Adeyemi, O. A. (2019). Access to finance and the growth of manufacturing SMEs in Nigeria. *Journal of Small Business and Enterprise Development, 10*(3), 56–72.

Akinyemi, T. O. (2024). Financial resource availability and SME competitiveness in Nigeria. *African Journal of Entrepreneurship and Innovation, 8*(1), 43–61.

Becker, G. S. (1964). *Human capital: A theoretical and empirical analysis, with special reference to education*. New York, NY: Columbia University Press.

Central Bank of Nigeria. (2024). *Annual report and statement of accounts*. Abuja, Nigeria: Central Bank of Nigeria.

Cronbach, L. J. (1951). Coefficient alpha and the internal structure of tests. *Psychometrika, 16*(3), 297–334.

Development Bank of Nigeria. (2024). *Annual report*. Abuja, Nigeria: Development Bank of Nigeria.

Eze, C. O. (2023). SME financing and employment generation in Nigeria: An econometric analysis. *Nigerian Journal of Economic Studies, 18*(2), 74–91.

Gurley, J. G., & Shaw, E. S. (1960). *Money in a theory of finance*. Washington, DC: Brookings Institution.

Ibrahim, A., & Bello, M. T. (2020). Microfinance institutions and SME performance in Nigeria. *Journal of Development Finance, 11*(2), 102–118.

Mohammed, U. A. (2018). Bank credit and SME development in Northern Nigeria. *Journal of Banking and Financial Development, 7*(2), 33–49.

National Bureau of Statistics. (2024). *Nigerian gross domestic product report*. Abuja, Nigeria: National Bureau of Statistics.

Nnanna, O. J. (2018). Financial inclusion and SME performance in Nigeria. *African Journal of Finance and Management, 9*(1), 18–35.

Nwachukwu, C. I. (2024). Innovative financing mechanisms and SME performance in Nigeria. *Journal of Entrepreneurship and Innovation Studies, 9*(1), 22–41.

Okafor, P. C. (2019). Financial management practices and SME performance in Nigeria. *International Journal of Accounting and Financial Management, 8*(4), 61–78.

Olatunji, A. O. (2020). Credit accessibility and SME productivity in Nigeria. *Journal of Economics and Sustainable Development, 11*(5), 40–55.

Salami, K. O. (2023). Digital financial services and SME growth in Nigeria. *International Journal of Digital Finance, 6*(3), 52–69.

Schumpeter, J. A. (1934). *The theory of economic development*. Cambridge, MA: Harvard University Press.

Small and Medium Enterprises Development Agency of Nigeria. (2024). *SME development report*. Abuja, Nigeria: SMEDAN.

## APPENDIX I

## QUESTIONNAIRE

## ENTREPRENEURIAL FINANCE AS A CATALYST FOR INCLUSIVE GROWTH IN NIGERIA

**Researcher:**
**J. A. Adeyokunnu, PhD**
Redeemer University, Nigeria

### Introduction

Dear Respondent,

This questionnaire is designed to obtain information for an academic research titled **"Entrepreneurial Finance as a Catalyst for Inclusive Growth in Nigeria."** Your responses will be treated with utmost confidentiality and used strictly for academic purposes. Participation is voluntary, and no personal information that could identify you will be disclosed.

Kindly tick (✓) the option that best represents your opinion.

**Response Scale**

| Scale | Meaning |
|---|---|
| 5 | Strongly Agree (SA) |
| 4 | Agree (A) |
| 3 | Undecided (U) |
| 2 | Disagree (D) |
| 1 | Strongly Disagree (SD) |

### SECTION A: DEMOGRAPHIC CHARACTERISTICS

Please tick (✓) the appropriate option.

**1. Gender**

- Male ( )
- Female ( )

**2. Age**

- 18–25 years ( )
- 26–35 years ( )
- 36–45 years ( )
- 46–55 years ( )
- Above 55 years ( )

**3. Highest Educational Qualification**

- SSCE ( )
- ND/NCE ( )
- HND/B.Sc. ( )
- Master's Degree ( )
- PhD ( )

**4. Nature of Business**

- Manufacturing ( )
- Trading ( )
- Agriculture ( )
- ICT/Technology ( )
- Services ( )
- Others ( )

**5. Years in Business**

- Less than 2 years ( )
- 2–5 years ( )
- 6–10 years ( )
- Above 10 years ( )

**6. Number of Employees**

- 1–5 ( )
- 6–10 ( )
- 11–20 ( )
- Above 20 ( )

**7. Primary Source of Business Finance**

- Personal Savings ( )
- Commercial Bank Loan ( )
- Microfinance Bank ( )
- Cooperative Society ( )
- Government Intervention Fund ( )
- Venture Capital ( )

- Angel Investor ( )
- Family/Friends ( )
- Crowdfunding ( )

**SECTION B: ENTREPRENEURIAL FINANCE (Independent Variable)**

**Access to Entrepreneurial Finance**

| S/N | Statement | SA | A | U | D | SD |
|---|---|---|---|---|---|---|
| EF1 | My business has adequate access to finance. | | | | | |
| EF2 | Bank loans are accessible to my business. | | | | | |
| EF3 | Government financing programmes have improved my business. | | | | | |
| EF4 | Microfinance institutions provide useful financial support. | | | | | |
| EF5 | Digital financial services have improved access to finance. | | | | | |
| EF6 | Interest rates on business loans are affordable. | | | | | |
| EF7 | Collateral requirements do not prevent me from obtaining loans. | | | | | |
| EF8 | My business can easily obtain additional financing when needed. | | | | | |
| EF9 | Financial institutions provide adequate support for SMEs. | | | | | |
| EF10 | Entrepreneurial finance has improved the growth of my business. | | | | | |

**SECTION C: INCLUSIVE GROWTH (Dependent Variable)**

**Employment Generation**

| S/N | Statement | SA | A | U | D | SD |
|---|---|---|---|---|---|---|
| EG1 | Access to finance has enabled my business to employ more workers. | | | | | |
| EG2 | My business has expanded because of available finance. | | | | | |
| EG3 | Financial support has increased job opportunities in my business. | | | | | |
| EG4 | Access to finance has improved business productivity. | | | | | |
| EG5 | Entrepreneurial finance promotes sustainable employment. | | | | | |
| EG6 | My business recruits employees regularly because of improved financing. | | | | | |

**Poverty Reduction**

| S/N | Statement | SA | A | U | D | SD |
|---|---|---|---|---|---|---|
| PR1 | Access to finance has increased my household income. | | | | | |
| PR2 | Entrepreneurial finance has improved my standard of living. | | | | | |

| S/N | Statement | SA | A | U | D | SD |
|---|---|---|---|---|---|---|
| PR3 | My business generates enough income to reduce financial hardship. | | | | | |
| PR4 | Entrepreneurial finance has reduced my dependence on external assistance. | | | | | |
| PR5 | Business financing has improved my family's welfare. | | | | | |
| PR6 | Entrepreneurial finance contributes to poverty reduction in Nigeria. | | | | | |

**Income Inclusion**

| S/N | Statement | SA | A | U | D | SD |
|---|---|---|---|---|---|---|
| II1 | Access to finance has increased my business income. | | | | | |
| II2 | Entrepreneurial finance has expanded my participation in economic activities. | | | | | |
| II3 | My business now serves more customers because of improved financing. | | | | | |
| II4 | Financial support has enabled my business to enter new markets. | | | | | |
| II5 | Entrepreneurial finance has improved income distribution among workers in my business. | | | | | |
| II6 | Access to finance promotes economic inclusion for entrepreneurs. | | | | | |

**SECTION D: GENERAL OPINION**

| S/N | Statement | SA | A | U | D | SD |
|---|---|---|---|---|---|---|
| GO1 | Entrepreneurial finance is essential for inclusive growth in Nigeria. | | | | | |
| GO2 | Government should expand SME financing programmes. | | | | | |
| GO3 | Commercial banks should provide more flexible loans to entrepreneurs. | | | | | |
| GO4 | Financial literacy improves entrepreneurs' ability to access finance. | | | | | |
| GO5 | Women and youth entrepreneurs deserve special financing support. | | | | | |
| GO6 | Expanding entrepreneurial finance will reduce unemployment in Nigeria. | | | | | |

## APPENDIX II

### Operationalisation of Variables

| Variable | Dimension | Code | No. of Items |
|---|---|---|---|
| Entrepreneurial Finance | Access to Entrepreneurial Finance | EF1–EF10 | 10 |

| Variable | Dimension | Code | No. of Items |
|---|---|---|---|
| Inclusive Growth | Employment Generation | EG1–EG6 | 6 |
| Inclusive Growth | Poverty Reduction | PR1–PR6 | 6 |
| Inclusive Growth | Income Inclusion | II1–II6 | 6 |
| General Opinion | Policy Perception | GO1–GO6 | 6 |

**Total Likert Scale Items = 34**

**Demographic Questions = 7**

**Grand Total Questions = 41**

**Alignment with the Study Objectives**

- **Objective 1:** Determine the effect of entrepreneurial finance on employment generation.
  - Independent Variable: **EF1–EF10**
  - Dependent Variable: **EG1–EG6**
- **Objective 2:** Examine the influence of entrepreneurial finance on poverty reduction.
  - Independent Variable: **EF1–EF10**
  - Dependent Variable: **PR1–PR6**
- **Objective 3:** Evaluate the relationship between entrepreneurial finance and income inclusion.
  - Independent Variable: **EF1–EF10**
  - Dependent Variable: **II1–II6**

Appendix II

**Respondents' Profile**

The respondents' profile section captures the demographic and business characteristics of the entrepreneurs and SME operators participating in the study. These characteristics help describe the sample and provide background information for interpreting the study findings.

**Section A: Respondents' Profile**

Please tick (✓) the option that best describes you.

**1. Gender**

- ☐ Male
- ☐ Female
- ☐ Prefer not to say

**2. Age Group**

- ☐ 18–25 years
- ☐ 26–35 years

- ☐ 36–45 years
- ☐ 46–55 years
- ☐ 56 years and above

**3. Marital Status**

- ☐ Single
- ☐ Married
- ☐ Divorced
- ☐ Widowed
- ☐ Separated

**4. Highest Educational Qualification**

- ☐ Primary School Certificate
- ☐ SSCE/GCE
- ☐ ND/NCE
- ☐ HND/B.Sc.
- ☐ Master's Degree
- ☐ PhD
- ☐ Professional Qualification (Specify): __________

**5. Nature of Business**

- ☐ Manufacturing
- ☐ Agriculture
- ☐ Trading
- ☐ ICT/Technology
- ☐ Services
- ☐ Hospitality
- ☐ Fashion/Textiles
- ☐ Others (Specify): __________

**6. Business Ownership Type**

- ☐ Sole Proprietorship
- ☐ Partnership
- ☐ Limited Liability Company
- ☐ Cooperative Enterprise
- ☐ Family Business

- ☐ Others (Specify): __________

**7. Years of Business Operation**

- ☐ Less than 2 years
- ☐ 2–5 years
- ☐ 6–10 years
- ☐ 11–15 years
- ☐ Above 15 years

**8. Number of Employees**

- ☐ 1–5
- ☐ 6–10
- ☐ 11–20
- ☐ 21–50
- ☐ Above 50

**9. Annual Business Turnover**

- ☐ Less than ₦5 million
- ☐ ₦5 million–₦10 million
- ☐ ₦10 million–₦50 million
- ☐ ₦50 million–₦100 million
- ☐ Above ₦100 million
- ☐ Prefer not to disclose

**10. Primary Source of Entrepreneurial Finance**

- ☐ Personal Savings
- ☐ Commercial Bank Loan
- ☐ Microfinance Bank Loan
- ☐ Cooperative Society Loan
- ☐ Government Intervention Fund (e.g., CBN, BOI, DBN, SMEDAN)
- ☐ Venture Capital
- ☐ Angel Investors
- ☐ Family and Friends
- ☐ Crowdfunding
- ☐ FinTech/Digital Lending Platforms
- ☐ Others (Specify): __________

**11. Have you ever received any government entrepreneurial financing support?**

- ☐ Yes
- ☐ No

**12. If Yes, indicate the programme(s) (Tick all that apply)**

- ☐ CBN Intervention Fund
- ☐ BOI Loan
- ☐ DBN Facility
- ☐ SMEDAN Support
- ☐ NIRSAL Programme
- ☐ Youth Entrepreneurship Programme
- ☐ Others (Specify): __________

**13. Business Location**

- ☐ North Central
- ☐ North East
- ☐ North West
- ☐ South East
- ☐ South South
- ☐ South West

**14. Position in the Business**

- ☐ Owner
- ☐ Managing Director/CEO
- ☐ Manager
- ☐ Partner
- ☐ Others (Specify): __________

**15. Have you applied for business financing from a formal financial institution within the last five years?**

- ☐ Yes
- ☐ No

**16. If Yes, was your application successful?**

- ☐ Fully Approved
- ☐ Partially Approved
- ☐ Rejected
- ☐ Still Processing

**Summary of Respondent Profile Variables**

| Variable | Measurement |
|---|---|
| Gender | Nominal |
| Age | Ordinal |
| Marital Status | Nominal |
| Educational Qualification | Ordinal |
| Nature of Business | Nominal |
| Business Ownership Type | Nominal |
| Years of Business Operation | Ordinal |
| Number of Employees | Ordinal |
| Annual Business Turnover | Ordinal |
| Primary Source of Finance | Nominal |
| Government Financing Support | Nominal |
| Financing Programme Accessed | Nominal (Multiple Response) |
| Business Location | Nominal |
| Position in Business | Nominal |
| Loan Application Status | Nominal |
| Financing Approval Status | Nominal |