

MICROCREDIT BANKS ADMINISTRATION AND ENTREPRENEURSHIP DEVELOPMENTFagbemi, Ayodeji¹Yinus, S.O.^{1*}Olowookere-Oduyebo, A.₁¹Ladoke Akintola University of Technology, Nigeria

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ABSTRACT

The study assesses the effect of microfinance bank credit administration on entrepreneurship development in Oyo State, Nigeria. Stratified sampling techniques were used to select three MFBs from senatorial districts of the state. A structured questionnaire was administered to the three selected MFBs by five MFB staff members, and 50 entrepreneurs from each MFB were chosen using a random sampling technique. Data collected was analysed with the aid of descriptive statistics like tables, percentages, and frequency while inferential statistics such as Pearson Product Moment Correlation (PPMC) and regression analysis were used to analyse the formulated hypotheses. Results (MLD, $P = 0.856$; AMBL, $P = 0.867$; ESD, $P = 0.835$; AASP = 0.844; MIC, $P = 0.885$; and CS, $P = 0.661$) revealed that there is a significant relationship between MFBs' credit administration and entrepreneurial development. The study concluded that MFB credit administration has a significant positive influence on entrepreneurship development. The study, therefore, recommended that stringent conditions attached to the collateral security to access credit from microfinance banks.

KEY WORDS: Microfinance credit facility, Business Performance, Microfinance bank, Entrepreneurship Development

INTRODUCTION

The concept of entrepreneurship form a dynamic impetus and catalyst for general economic wellbeing, acquisition of required skills, and creation of employment. According to Ajibefun (2006), he stated that entrepreneurship was a product of the failings of the old and conventional educational system which placed emphasis on

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schooling and white collar jobs and had no regard for skill acquisition and wealth creation. Based on this, several nations of the world have instituted entrepreneurial support schemes and structures to fuel the development of this concept. Literature shows that no nation breaks away from unemployment and a high level of poverty without a push from the emergent of entrepreneurship. The world economy as it affects individual nations sees entrepreneurship and small business owners as the key to the survival of any economy. It is seen as the engine room for economic growth and development. Wang (2013) stated that over 60% of China's total Gross Domestic Product (GDP) was because of the rise in small business activities. Babajide (2011) stated that Micro, Small, and Medium Enterprises (MSMEs) represent 87% of all firms operating in Nigeria. In countries such as Indonesia, Thailand, and India; MSMEs contribute about 40% of the GDP (International Finance Corporation, 2002). Small Businesses are the backbone for economic development as it contributes to job creation, reduction in income disparity, production of goods, and services as a basis for skill acquisition. It serves as an engine room for technological innovation and development (Ofoegbu, Akanbi, and Joseph 2013). Past studies, (Akande 2012) revealed that Nigeria has many small businesses that employ a large percentage of the working population both in rural and urban areas which are mostly engaged in by women who no longer stay home as full time housewives. Evidence from literature revealed that small businesses contribute to better living standards, encourages the local capital formation, and achieve a high level of productivity (Olowe, Moradeyo, and Babalola, 2013). The necessity of entrepreneurial development cannot be undermined in Nigeria, the contributions are quite obvious and visible in economic transformations. This has been evidenced by the growing number of entrepreneurs specializing in the conduct of small businesses. Small and Medium Scale Enterprises have greatly contributed to the creation of jobs, innovation, and economic growth which has been given a global acknowledgment and recognition. (Akande and

Ojokuku, 2008)

The Nigeria government realized the relevance of entrepreneurs in small and medium businesses toward economy development and established an agency in 2003 known as the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) to promote and coordinate the growth of entrepreneurs. However, the critical issues that limit entrepreneurs development in small and medium business section is financing. ADB (2012) referred to Schiffer and Weder (2001) that the ability to generate required finance is a great obstacle for small businesses than larger firms, especially in developing countries. In the Nigerian environment, Olowe, Moradeyo, and Babalola (2013) stated that access to funds limits small businesses' ability to muster the required collateral to access credit facilities. In essence, the bottlenecks created by collateral demanded by commercial banks constitute an adverse effect on entrepreneurial development.

The government in Nigeria, through the apex bank, the Central Bank of Nigeria allowed the Community Banking system to metamorphose into Micro Finance Banks.

Microfinance is seen as banking for the poor and the main essence of Micro Finance Banks is to direct the attention of advancing credit to low income groups and micro, small, and medium enterprises (Oladejo (2013). Babagana (2010) agreed that small businesses need help through Micro Finance Banks to become sustainable and competitive. The increased need for microfinance in Nigeria gave birth to Micro Finance Policy and Regulatory Supervision framework launched in 2002 and the Central Bank of Nigeria Revised Regulatory and Supervision Guidelines for Micro Finance Banks in Nigeria in 2012. The limited access to finance from conventional commercial banks was seen as a setback to the entrepreneurs (Olowe et al, 2013). Despite the good features of microfinance and its existence, the great majority of small businesses owners success in Nigeria are uncertainty based on entrepreneur grieve on lack of capital. In recent times, financial institutions have undergone some structural transformation in most developing countries in which Nigeria is not excluded; their effort towards promoting support for entrepreneurship needs to be

more explored. In Nigeria, MFBs are mandated by the regulator to provide credit facilities to entrepreneurs to develop their businesses to succeed. This has not been quite so, as small businesses continued to fail. Issues surrounding the failures of small businesses despite the increasing number of MFBs have not been adequately investigated. Thus, the study set to assess the determinant factors of MFB Credit Administration and its on entrepreneurship development (ED) in Oyo State.

Statement of Problem

The limited access to finance from conventional Deposit Money banks was seen as a setback to the entrepreneurs in small business section. Despite the good features of microfinance and its existence, the great majority of small businesses owners success in Nigeria are uncertainty based on entrepreneur grieve on lack of capital. In recent times, financial institutions have undergone some structural transformation in most developing countries in which Nigeria is not excluded; their effort towards promoting support for entrepreneurship needs to be more explored. In Nigeria, MFBs are mandated by the regulator to provide credit facilities to entrepreneurs to develop their businesses to succeed. This has not been quite so, as small businesses continued to fail. Issues surrounding the failures of small businesses despite the increasing number of MFBs have not been adequately investigated. Report on the related studies in Nigeria shows divers results and in some instances contradictory or having mixed results. Babajide (2011) opined that Micro Finance does not engender growth of Micro and Small Enterprises. Whereas, Akande and Yinus (2015) assess the influence of Microfinance bank impact on entrepreneurship development in Nigeria and found that Micro Finance Banks efficiency has positive influence on entrepreneurship development. The identified contradictions in existing results of studies is an evidence that further research work is needed to provide more information for the benefit of Business owners and policy makers. Thus, this study is set to assess the determinant factors of MFB Credit Administration and it's effect on entrepreneurship development (ED) in Oyo State, Nigeria.

Research Hypotheses

Two hypotheses were formulated for this study and stated in the null form as follows:

Ho1: There is no significant difference in determinant factors of MFB credit administration to entrepreneurs in Oyo State.

Ho2: The MFB credit administration does not influence entrepreneurship development.

LITERATURE REVIEW AND CONCEPTUAL UNIDERPINNING Entrepreneurship Development Concept

Entrepreneurship deal with process through an individual's or entity identify opportunities, allocate resources, and create value. This creation of value is often through the identification of unmet needs or the identification of opportunities for change. It is the act of being an entrepreneur who is seen as "one who undertakes innovations with finance and business acumen to transform innovations into economic goods. Hence, Entrepreneurs perceive "problems" as "opportunities", and then take action to identify the solutions to those problems and the customers who will pay to have those problems solved (Okafor, 2005). More so, entrepreneurial success is simply a function of the ability of an entrepreneur to see opportunities in the market place, initiates changes (or take advantage of change), and create value through solutions.

Entrepreneurship development focuses more on progressive potential innovation.

Small Business Enterprises in Nigeria

Small scale industry orientation is part and parcel of Nigeria. Evidence abounds in our respective communities of what successes our great grandparents made of their respective trading concerns, yam barns, iron smelting, farming, cottage industries, and the likes. So the secret behind their success of a self-reliant strategy does not lie in any particular political philosophy, so much as in the people's attitude to enterprise and in the

way by which the right incentive is adequate to make risk worth taking are provided. Economic history is well stocked with enough insights into the humble beginnings of present-day grand corporations. Back home in Nigeria, the respective government policies accorded and gave priority to the country's small scale enterprises. In 2001, the government intervention toward enhancement of the capacity of SMEs through direct policy gives an avenue to establishment of more SMEs, promotion technological development institution, credit lending institutions, and the provisioning of infrastructures such as industrial estate, nationalization of foreign firms and provision of incentives and subsidies for the promotion of small business companies (Alawe, 2004). The establishment of anti-corruption bodies such as the Economic and Financial Crime Commission (EFCC) and Independent Corrupt Practices Commission (ICPC), investment in power generation, road maintenance, and construction, and enactment of pension funds were additional effort geared towards improving the SMEs sector. (Onugu, 2005).

In both developed and developing countries, the traditional sector has served and continues to serve as the springboard for launching into a vibrant modern sector. Another economic role of the SMEs is their ability to mobilize financial resources, which would otherwise be idle or untapped by the formal financial sector (Iornem 2000). It is pertinent to highlight the contributions of SMEs to the economics of some countries and also, that of Nigeria.

Problems of Small Business Enterprises in Nigeria

It is worrisome that despite the incentives, favourable policies and regulations, and preferential support by the government aimed at improving small business enterprises, SMEs has performed below expectation of Nigeria. The inability of the government to implement favourable monetary policies and policy discrepancies has undermined the capacity of small business enterprises. Most small business enterprises in Nigeria are battling with a series of difficulties such as poor management practice, poor accounting

standards, financial disorderliness, and corruption. More so, the dearth of entrepreneurial skills like inadequate educational, professional, and technical background on the part of the business owners and employees has plunged SMEs into further crisis.

Concept of Microfinance Banks

According to CBN, microfinance is a tool used to create access for the economically active poor to financial services at a sustainably affordable price. Microfinance render financial and non-Financial services to the poor who are traditionally not served by conventional financial institutions. Accessing financial services by the poor enables them to have control over factors of production, be more self-reliant, generate employment, enhance household income, and create wealth. There are certain features that makes microfinance differ from other financial sectors these includes: short loans advanced, No asset-based collateral, and simplicity of the operation. The Progress of microfinance institutions over the last few decades has shown that microfinance is a major stimulus for combating poverty. Therefore, microfinance as an approach for economic development should target Small and medium business Owners (Entrepreneurs) given its multiplier effect on production and marginal propensity to consume. Access to credit by this group of people accelerates their income and influence the economy of the nation.

Concept of Credit Facilities

According to Alshwahdi (2003), Credit is the confidence of the bank to its customer to give him a certain amount, to be used for a particular purpose for a certain period and payment is made under a specific condition, and provide a guarantee for the bank to recover the loan. Again, credit is a contractual agreement in which a borrower receives something of value now and agrees to repay the lender on a specific date in the future, generally, with an interest (Onwuka, 2014). Evidence from the literature shows that adequate credit aids entrepreneurship performance (Peter,2004; Kuzilwa,2005). Arising

from the facts stated above, microcredit and its impact on the performance of entrepreneurs cannot be underestimated (Akande, 2012). Evidence from literatures (Neumann, 2020: Duru, 2012) revealed the importance of finance toward entrepreneurship development as driven mechanism for economic growth. The extent to which this can well explored by the stakeholder need proper establishment.

Empirical Review

Alalade, Amusa, and Adekunle (2013) conducted research work on "Microfinance Bank as a Catalyst for entrepreneurship improvement in Nigeria from perspective of entrepreneurs Ogun State" to assess the relationship and casualty between Microfinance bank operation and entrepreneurship development in Ogun State. The finding of the research also indicated that most entrepreneurs do not have access to loans and advances in the Microfinance banks because of lack of collateral. He stated further that the majority of small business owners rely on personal savings and financial assistance from families and friends to fund their business. The study advised the government to create avenue and awareness for entrepreneurs on how they could benefit from loans from Microfinance banks. Babajide (2012) examines the effect of Microfinancing on Micro and Small Enterprises Growth in Nigeria. The main objective of the study was to examine the effect of loan administration practices on small business growth criteria. The study used panel data and multiple regression analyses to interpret data. The survey was conducted on 502 randomly selected businesses financed by Microfinance banks. The research work found out that access to Microfinance does not affect the growth of SMEs in Nigeria. Akande and Yinus (2015) assessed Microfinance bank impact on entrepreneurship development in Nigeria. Survey design was employed. Finding reveals that the effectiveness of Microfinance bank positively influence entrepreneurship development. Mugbo and Tomola (2018) assess the impact of MFB on entrepreneurship development in Anambra and finding revealed that MFBs impacted on entrepreneurship development, Olufemi (2019) examined the impact mfbs on SMEs from perspective of registered SMEs

in lagos state with aid of survey design .The outcome revealed that the majority of SMEs experienced financial growth using MFB products. Kibichii and Wafula (2020) assess the effect of microfinance products on the growth of small and medium enterprises in Nairobi County, Kenya. Collection of data was done through the utilization of a well-structured questionnaire and secondary data matrix. Result revealed that bank loans and training provision had positive and significant impact on the growth of small and medium businesses in Nairobi County.

Gaps in Current Literature

Having looked at different literature on the related study, credit accessibility appears to have a significant influence on entrepreneurs' activities, which serve as facilitation toward entrepreneurship development. Based on the review, the most relevant study focused on the effect of microfinance on business performance and economic growth in different sections of the country, with a different approach. All of the identified studies used a judgmental sampling technique to select their sample, and none of the authors specified which judgmental technique was used. However, there are various types of judgmental sampling, in which this present study filled a gap with the use of homogeneous purposive sampling techniques to select the sampled MFB banks for the study in Oyo State, Nigeria. Furthermore, Kibichii and Wafula (2020) carried out research on MFBs with the emphasis that loans and training provision had a positive and significant impact on the growth of small and medium businesses in Kenya. While this study focuses on the development of entrepreneurs in the SMEs section and their credit accessibility determinant in Nigeria, with the use of credit access and development as a bedrock model for the study, because the financial institutions are willing to lend but cannot control the actions of the borrowers, they will formulate the terms of loan contracts in a way to induce and attract low-risk borrowers.

METHODOLOGY.

A mixed design method was employed for the study. Primary data was gathered through the use of the questionnaire, and secondary data was gathered through the reports of the selected microfinance banks. The population of the study comprises all aggregated registered entrepreneurs who are active micro and small business operators in Oyo State. These people had, at one time or the other, benefited from the loan facility and other business support services from the selected microfinance bank in Oyo state, Nigeria. Three (3) microfinance banks were purposefully selected across the regions using stratified random sampling. The purposeful choice of these three banks is as a result of their active involvement in the disbursement of micro facilities to promote entrepreneurship. Samples of MFBs officials were drawn through the simple random sampling procedure from each stratum. A total of 165 questionnaires were administered across all the sampled respondents (15 officials and 150 beneficiaries) and found useful for the purpose of the study. Data collected was analysed with the aid of descriptive analysis and inferential statistics. Descriptive analysis such as tabulations, charts, and mean rankings was used to summarize the determinant factors influencing ED and MFB credit administration variables such as Microfinance Bank Loan Disbursement (MLD), Accessibility of Microfinance Bank Loans (AMBL), Efficient Service Delivery (ESD), Awareness of Available Services (AAS), Moderate Interest Charge (MIC), and Collateral Security (CS). Inferential statistics like Pearson Product Moment Correlation (PPMC) were used to determine the relationship between MFB credit administration and ED, while Ordinary Least Square (OLS) regression was used to determine how MFB credit administration influenced ED at a 95% confidence level.

RESULTS AND DISCUSSION

Analysis of Determinant Factors Influencing Entrepreneurship Development

Table 1: Descriptive Statistics

	N	Minimum	Maximum	Mean		Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic
MLD	150	1	5	4.21	.102	1.251
AMBL	150	1	5	3.75	.087	1.068
ESD	150	1	5	3.87	.113	1.389
AAS	150	1	5	3.67	.086	1.052
MIC	150	1	5	3.73	.112	1.369
CS	149	1	5	1.81	.090	1.095
Valid N (listwise)	149					

Source: Researcher's Compilation 2021

Microfinance Loan Disbursement

Respondents were required to indicate their level of agreement with the disbursement of Microfinance Loan on entrepreneurship development in Oyo State, Nigeria. Result show that the majority of the respondents agreed that microfinance loan disbursement had helped microenterprises venturing into business (4.21) to a great extent as presented in table 1.

Accessibility of Microfinance Bank Loans

Result (Means of 3.75 and standard deviations of between 1.068) revealed that the majority of the respondents agreed that they have easy access to Microfinance bank loans. The study findings, therefore, revealed that the majority of the respondents agreed that they have easy access to Microfinance bank loans.

Efficient Service Delivery

Respondents were required to indicate their level of agreement with the efficiency of various Microfinance Service Delivery towards entrepreneurship development in Oyo State. Means of 3.87 and standard deviations of between 1.389 were registered. The study findings, therefore, revealed that the majority of the respondents are satisfied with services that microfinance banks provided to entrepreneurs. Equally the research findings revealed that the majority of the respondents believed that microfinance service delivery had helped entrepreneurs with appropriate remedies on transaction problems.

Awareness of Available Services

Respondents were required to indicate their level of agreement with the awareness of available services of microfinance by entrepreneurs in Oyo State. Means of 3.67 and standard deviations of 1.052 were registered. The study findings, therefore, revealed that the majority of the respondents agreed that entrepreneurs are aware of available services of microfinance banks which had helped entrepreneurs to have access to different types of services.

Moderate Interest Charge

Respondents were required to indicate their level of agreement with Interest charges by microfinance banks on loans and other services rendered to entrepreneurs. Means of 3.73 and standard deviations of between 1.369 were registered. The study findings, therefore, revealed that the majority of the respondents agreed that moderate interest charged by microfinance banks had provided entrepreneurs with the opportunity to borrow loans. The findings are as presented in row 5 Table 1

Collateral Security

Respondents were required to indicate their level of agreement as to whether the Collateral Security requirements of MFB to secure loans are achievable by entrepreneurs. Findings revealed that the majority of the respondents disagreed that collateral demanded by microfinance banks had helped entrepreneurs to have access to capital for the expansion of their businesses.

From the above descriptive statistics, it is revealed that all identified influencing variables such as MLD, AMBL, ESD, AAS, MIC, and CS have a mean of 4.21, 3.75, 3.87, 3.67, 3.78, and 1.81 respectively. Hence, we accept the alternative hypothesis that there is a significant difference in determinant factors of MFB credit administration on entrepreneurship development.

Analysis of Correlation between Microfinance Bank Credit Administration and Entrepreneurship Development

Table 2: Correlation Analysis

		ED	MLD	AMBL	ESD	AAS	MIC	CS
ED	Pearson Correlation	1	.856**	.867**	.835**	.844**	.885**	.661**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000
	N	150	150	150	150	150	150	149
MLD	Pearson Correlation	.856**	1	.899**	.924**	.895**	.919**	.468**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000
	N	150	150	150	150	150	150	149
AMBL	Pearson Correlation	.867**	.899**	1	.869**	.961**	.910**	.594**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000
	N	150	150	150	150	150	150	149

ESD	Pearson Correlation	.835**	.924**	.869**	1	.884**	.941**	.608**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000
	N	150	150	150	150	150	150	149
AAS	Pearson Correlation	.844**	.895**	.961**	.884**	1	.917**	.601**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000
	N	150	150	150	150	150	150	149
MIC	Pearson Correlation	.885**	.919**	.910**	.941**	.917**	1	.644**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000
	N	150	150	150	150	150	150	149
CS	Pearson Correlation	.661**	.468**	.594**	.608**	.601**	.644**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	149	149	149	149	149	149	149

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

The results from table 2, indicate the absolute value of the Pearson correlation indicates the strength with the absolute value showing the weakness or stronger relationship or strength of the variables. However, the absolute value of the correlation between Entrepreneurship Development (ED) and Microfinance Banks Loan Disbursement (MLD) is 0.856 with a significant value of 0.000 indicates that the two variables are positively significant correlated. The findings reveal there is a significant relationship between microfinance bank loan disbursement and entrepreneurship development in Oyo State. Also, the result showed a positive correlation between entrepreneurship development (ED) and accessibility of microfinance banks loans (AMBL) with an absolute value of 0.867 and a significant value of 0.000 respectively. This is an indication of a positive significant relationship between entrepreneurship development and microfinance banks' loan accessibility. Efficient service delivery (ESD) by microfinance banks, awareness of available services (AAS), moderate interest charge (MIC), and collateral security (CS) also have a positive significant correlation with entrepreneurship development with an absolute

value of 0.835, 0.844, 0.885, 0.661 and 0.000 significant value respectively. Therefore, there is a significant relationship between microfinance bank credit administration and entrepreneurship development in Oyo State.

Assessment of Microfinance Bank Credit Administration Influence on Entrepreneurship Development

Table 3: Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.924 ^a	.853	.846	.338

a. Predictors: (Constant), MLD, AMBL, ESD, AAS, MIC, CS

Source: Researcher's Computation 2021

Table 3a: Regression ANOVA

Model	Sum of Square	Df	Mean Square	F	Sig.
Regression	93.371	7	13.339	116.877	.000 ^a
Residual	16.092	141	114		
Total	109.463	148			

Source: Researcher's Compilation 2021

Table 3b: Coefficients of Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.839	.117		15.718	.000
	MLD	.473	.100	.587	4.737	.000
	AMBL	.392	.076	.649	5.169	.000
	ESD	-.051	.071	-.082	-.718	.474

	AAS	-.068	.109	-.083	-.628	.531
	MIC	.054	.106	.086	.508	.612
	CS	-.099	.055	-.125	-1.805	.073
a. Dependent Variable: ED						

Source: Researcher's Compilation 2021

Furthermore, based on analysis conducted to examine how the micro finance credit administration influences entrepreneurship development. The model constant gives a positive value of 1.839 as the value for the intercept of the model is significant at 1% and 5% levels as the prob. value is 0.00. Furthermore, the coefficients of microfinance banks loan disbursement (MLD), accessibility of microfinance bank loan (AMBL) and moderate interest charged by microfinance bank (MIC) are 0.587, 0.649, and 0.086 respectively as presented in table 3b. This implies that MLD, AMBL, and MIC have a positive effect on entrepreneurship development in Oyo State. They are also statistically significant at 5% level as their probability values (0.00) are less than 0.05 except for MIC which has probability values of 0.612.

Due to the overall results, all formulated null hypotheses are hereby rejected and the alternative hypothesis is accepted that there is a significant relationship between MFB credit administration and entrepreneurship development and MFB credit administration variables like (MLD, AMBL, and MIC), positively influence entrepreneurship development

Discussion of Findings

The result of the analysis revealed that specific factors of credit administration of Microfinance such as Accessibility to Microfinance Bank Loan, Moderate Interest Charges positively influenced Entrepreneurship Development. The result agreed with the findings of Nahamya, Ajanga, Omeke, Nabinyama, and Tumwine (2013) conducted in Uganda which stated that Microfinance Institutions had a significant impact in linking SMEs and

the poor people to sources of credit and contributed to their growth. Findings from the reveal that there is a significant relationship between MFB credit administration variables like Microfinance Loan Disbursement (MFB LD), Accessibility of Microfinance Banks Loans (AMFBL), Efficient service delivery (ESD) by microfinance banks, awareness of Available Services (AAS), Moderate Interest Charge (MIC), Collateral Security (CS) and Entrepreneurship Development. The result is corroborated by the work of Sule (2018) which revealed that there exists a relationship between MFB and Small and Medium Scale enterprises that with a favourable relationship among them, there will be tremendous development. The analysis revealed that MFB credit administration variables such as Microfinance Loan Disbursement, Accessibility to Microfinance bank loan are significantly related to entrepreneurship development and positively influence the Entrepreneurship Development. This finding is consistent with Imoisi (2014), Boateng, Boateng, and Bampoe (2015) and Neumann,(2020) on determinants for entrepreneurship development and its effect on economic growth of a nation . This study contributes to the body of knowledge through a formation for the basis for further research in the area of Microcredit delivery and entrepreneurship development in Nigeria and other developing nation. It will also serve as a basis for appreciating the challenges entrepreneurs face in gaining access to the facility to reduce the bottlenecks.

CONCLUSION AND RECOMMENDATIONS

Based on the result of the tested hypotheses, the study concluded that there is a correlation between MFBs credit administration and entrepreneurial development. And further established that MFB credit administration variables such as Microfinance Loan Disbursement, Accessibility to Microfinance bank loan are significantly related to entrepreneur's development and positively influence the Entrepreneurship Development. Given the above finding the following recommendation is made:

- Microfinance banks should reduce the stringent conditions attached to the collateral security.
- Microfinance banks should carry out continuous awareness programs on all services available through the MFBs as we believe this will significantly reduce the scepticism of entrepreneurs on the patronage of MFBs services.

The implication of the Study

- It is expected to form a basis for policy formation toward promoting entrepreneurship development.
- It will also serve as a guide and provide insight for future research work on the related field for academics and policy makers who are willing to improve on it

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