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Financial Accessibility and Performance of Entrepreneurship in Delta State, Nigeria

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Abstract: *The study examined financial accessibility and performance of entrepreneurship in Delta State, Nigeria. Specifically the study assessed the effect of collateral requirement, loan procedure and Credit terms on the performance of Entrepreneurship in Delta State. Three research questions and three hypotheses guided this study. Relevant related literature was reviewed. The study was anchored on Credit Access Theory. Descriptive research design was adopted. The study was carried out in Delta State, Nigeria. Data was sources for primary and secondary sources. The population of the study comprised 1,737 registered owners of entrepreneurship business in Delta state. The sample size consist 339 using statistical formula devised by Borg and Gall. Face and content validity was adopted in this study. The reliability of the questionnaires was established through test retest method and Cronbach Alpha. The study employed Multiple Regression Analysis (MRA) method to test the hypotheses. The findings of the study revealed that collateral requirement have a positive significant effect on the performance of entrepreneurship in Onitsha, Delta State. Loan procedure has a positive significant influence on the performance of entrepreneurship in Onitsha. Credit terms have a positive significant influence on the performance of entrepreneurship in Onitsha, Delta State. The study concluded that financial accessibility had a positive significant performance of entrepreneurship in Delta State. The recommended that Bank of Nigeria should come up with policies that flexibly enable entrepreneurship to access financial assistance. Loans for capital assets or technology acquisition should be low-interest loans, which can be secured and assist the development of entrepreneurship. Bank should increase the duration of their entrepreneurship credit terms repayment, or spread the repayment over a longer period of time, or increase the moratorium.*

Keywords: *Collateral Requirement, Loan Procedure, Credit Terms, Performance of Entrepreneurship*

INTRODUCTION

Performance of Entrepreneurship can be measured by total sales, liquidity, and profitability (Kelley & Nakosteen, 2018). Maintaining optimal liquidity demonstrates that there are economies of scale associated with the cash levels required to confront the normal transactions of the firm. Sales growth is often used as a measure of performance. It has been argued that if sales increase, profits will eventually follow. Information on financial performance is useful in predicting the capacity of the enterprise (Nyanzi, 2019). Financial accessibility from MFI in Nigeria is seen as the best alternative source of capital for low-income earners and their Entrepreneurship as a means to raise their income, hence enhancing their performance and contributing to the country's economy (Ledgerwood et al., 2021). Financial accessibility by the majority of Nigerians who are low-income earners has created an opportunity to manage scarce household and entrepreneurship resources more efficiently, protect against financial risks by taking advantage of investment opportunities, and gain economic returns.

Entrepreneurship has been considered as the engine of economic growth for promoting equitable development (Belás et al., 2017). The major advantage of the sector is its employment potential at low capital cost. The labor intensity of the entrepreneurship sector is much higher than that of the enterprises. The role of entrepreneurship in the economic and social development of the country is well established. The sector is a nursery of entrepreneurship, often driven by individual creativity and innovation. There is a general belief that the desired employment generation in this country can be achieved through the development of entrepreneurship (Gertler & Kiyotaki 2020). Love and Peria (2018) also posited that Entrepreneurship provides income, savings, and employment generation. According to Nkurunziza (2015), entrepreneurship can be regarded as one of the important elements of a country's development and this plays a crucial role in the economy of Nigeria**.**

Financial accessibility allows entrepreneurs to expand their businesses and acquire the best management, thus ensuring their competitiveness and performance. However, due to their characteristics, entrepreneurs in Nigeria suffer from constraints that lower their resilience to risk and prevent them from growing and attaining economies of scale. The challenges are not only in the areas of financing investment and working capital, but also in human resource development, market access, and access to modern technology and information. Access to financial resources is constrained by both internal and external factors (Turyahebwa et al., 2018).

Financial accessibility has been identified in many business surveys as the most important factor determining the survival and growth of entrepreneurship in both developing and developed countries (Eton et al., 2017). While performance is the process or manner by which entrepreneurship executes its function. Entrepreneurship performance can be measured with different indicators, such as profitability, and growth in employment, production level, or even sales. In addition, firms also have their performance indicators (Okech & Atieno, 2021). Entrepreneurship covers a wide range of definitions and measures, varying from country to country and between the sources reporting entrepreneurship statistics, (Arinaitwe & Mwesigwa 2020). Although there is no universally agreed definition of entrepreneurship, some commonly used criteria are the number of employees, value of assets, value of sales, and size of capital. In Nigeria, entrepreneurship are officially defined based on both the number of people employed and annual turnover of the enterprise (Turyahebwa et al., 2018).

Financial accessibility is a major factor affecting the performance of Entrepreneurship in most countries. Access to financing is critical to enable entrepreneurship contribute to the economic development of the country (Hasnah, Saniza, Jayaraman & Ishaka). Credit financing involves the procurement of interest-bearing instruments, secured by asset-based collateral and have term structures. The structure could be long-term, short-term or trade credit. To finance working capital, most entrepreneurship rely on internal financing, and or short-term credit from suppliers, and or specialized financial products like factoring. In case of capital expenditures, which normally represent larger amounts than working capital needs, Entrepreneurship rely on internal financing, often involving fresh capital injections from shareholders (World Bank, 2015). Long-term funds are not suitable for short-term projects as they burden the firm with costs of servicing unnecessary debt. Similarly, short-term debts are not appropriate for financing long-term projects since the loan may have to be repaid before the end of the project, (Nderitu & Githinji 2019).

Financial accessibility plays an extremely important role in reducing poverty, approach an equitable distribution of wealth, supporting a comprehensive and sustainable development (Word Bank). Conversely, lack of access to finance is the underlying cause which leads to income inequality, poverty trap and lower growth. Accessing banking services helps individuals and businesses to find affordable financial resources are funds to meet needs as business opportunities come, for an investment in children's education or for retirement savings. Bank loans also help farmers and the poor to protect themselves against financial shocks due to problems such as illness, disease, crop failures and natural disasters. A new paradigm of entrepreneurship performance measure has been adopted by entrepreneurs. This is based on identifying what the business does in terms of levels of processes and attaching key performance indicators to those processes (John, 2021). The recording and analysis of the key performance indicators should significantly contribute to the achievement of business goals. Key performance indicators tell businesses how well they provide services, how long they take to process customer requests, their product delivery performance and how much time they spend fixing mistakes (Kelley & Nakosteen, 2020).

The main argument for favouring entrepreneurship in developing countries is that they are increasingly playing a strategic role in economic growth and development through their contribution in the creation of wealth, employment, and income generation. In more developed economies, the dynamic arguments for the existence of Entrepreneurship have been stressed in terms of their being more innovative and constituting a seedbed for the development of new firms (Arinaitwe & Mwesigwa 2021). Entrepreneurship is increasingly taking the role of the primary vehicles for the creation of employment and income generation through self-employment and, therefore, has been tools for entrepreneurship performance. Entrepreneurship also provides the economy with a continuous supply of ideas, skills and innovation necessary to promote competition. Therefore, this background forms a foundation for the study on establishing the relationship between financial accessibility and performance of Entrepreneurship in Delta State, Nigeria.

Statement of the problem

Many studies have been conducted in Nigeria on financial accessibility as a challenge to the performance of Entrepreneurship. Actually, specific attention has been given to the high interest rate, collateral security requirements and small startup capital, and the small size of their operations that cannot meet credit requirement, and recommendations have been given (Turyahebwa et al., 2018; Nyanzi; Eton et al., 2017). However, small-scale businesses in Nigeria continue collapsing before celebrating their first birth day. According to Private Sector Foundation Nigeria (2016), about 5% to 10% of the businesses survive and make it to maturity. By observation, many small businesses in Delta State start and die within a space of a year or less due to financial challenges. While performance challenges associated to financial accessibility have been reported elsewhere in Nigeria, there is no empirical evidence that shows the association between financial accessibility challenges and performance of Entrepreneurship in Delta State. This study was, therefore, conducted to bring out the performance challenges among Entrepreneurship in Delta State that are due to financial accessibility. The purpose of the study was to establish the challenges of financial accessibility and performance of entrepreneurship in Delta State.

Objectives of the Study

The main objective of this study was to examine the effect of financial accessibility and performance of entrepreneurship in Delta State, Nigeria. However, the specific objectives of the study are to:

1. To assess the effect of collateral requirement, on the performance of entrepreneurship in Delta State
2. To establish the effect of loan procedure on the performance of entrepreneurship in Delta State
3. To examine the effect of asset tangibility on the performance of entrepreneurship in Delta State

Research questions

The researcher was guided by the following research questions:

1. To what extent does collateral requirement affect the performance of entrepreneurship in Delta State?
2. To what degree does loan procedure affect the performance of entrepreneurship in Delta State?
3. To what extent does a credit term influence performance of entrepreneurship in Delta State?

Research Hypotheses

In line with the objectives and research question the following hypotheses were formulate guided this study.

Ho_1: Collateral requirement have no positive significant effect on the performance of entrepreneurship in Delta State

H_1: Collateral requirement has no positive significant effect on the performance of entrepreneurship in Delta State

Ho_2: Loan procedure has no positive significant influence on the performance of entrepreneurship in Delta State

H_1: Loan procedure has a positive significant influence on the performance of entrepreneurship in Delta State

Ho_3: Credit terms has no positive significant influence on the performance of entrepreneurship in Delta State

H_1: Credit terms has a positive significant influence on the performance of entrepreneurship in Delta State

LITERATURE REVIEW

Conceptual Framework

Financial Accessibility

Financial accessibility remains a constraint to entrepreneurship as regards to working capital. entrepreneurship have limited access to capital markets, locally and internationally, in part because of the perception of higher risk, informational barriers, and the higher costs of intermediation which constrains growth and competitiveness. Studies on entrepreneurship have pointed out that financial accessibility is an impediment to entrepreneurship' contribution as an engine to national economic development, (Onyimba & Muturi, 2016). Access to finance is the ability of individuals or enterprises to obtain financial services, including credit, deposit, payment, insurance, and other risk management services. Those who involuntarily have no or only limited accesses to financial services are referred to as the unbanked or under banked, respectively. Financial accessibility is referred to as a programme which directly lend all or part of money to firms (example public loans or subsidized loans); guaranteed or partly guaranteed loans; provide financial education or information to firms (for instance, about financial services available); facilitate alternative forms of lending (for example, business angels, micro-finance, venture capital and group lending), by creating networks, incentivizing or matchmaking lenders and firms (Rajnoha et al., 2019). Accumulated evidence has shown that financial accessibility promotes growth for enterprises through the provision of credit to both new and existing businesses. It benefits the economy in general by accelerating economic growth, intensifying competition, as well as boosting demand for labour.

Financial accessibility is the ease with which entrepreneurship can get finance to undertake productive investments to expand their businesses and to acquire the latest technologies, thus ensuring their competitiveness and that of the nation as a whole or it can be defined as an absence of price and non-price barriers in the use of financial services (McCormick & Atieno, 2021)

Financial accessibility is defined as the ability of individuals or enterprises to obtain financial services, including credit, deposit, payment, insurance, and other management services. The incomes of those in the lower end of the income ladder will typically rise, hence reducing income inequality. Usually, banks require a tangible fixed asset as security (collateral) for the loan and banks typically lend to a firm based on the value of fixed assets offered as security. However, small firms have fewer collateralizable assets than large firms. This may partly relate to the stage of growth of the firm. In the earlier stages of the firm, it may have lower retained profits which may hinder it from purchasing fixed assets. Another reason for small firms to have a smaller proportion of fixed assets is the capital constraints they face. Because of the need to raise large amounts of capital, it is difficult for them to acquire a large number of fixed assets. The above reasoning implies that firms with tangible assets have relatively easier access to bank finance and lower costs of financing. Previous studies (Storey, Berger & Udell, 2018; Michaelas *et al.,* 1999) also suggest that bank financing depends on whether lending can be secured by collateral. Moreover, Sogorb-Mira (2005) found a positive effect of tangible assets on leverage for SMEs. Johnsen and McMahon (2005) also stated that other factors held constant, firms with more intangible assets need to borrow less because of collateral factor.

Performance of Entrepreneurship

Performance as a function of an organization's ability to meet its goals and objectives by exploiting the available resources in an efficient and effective way (Calice 2021). Finance and accounting literature evaluates entrepreneurship' performance by applying financial ratios such as profitability ratios, liquidity ratios, market ratios, and debt ratios, yet these are just the last performance indicators, as they are in fact influenced by how firms perform in terms of their efficiency and productivity, and how inputs and product prices change (Amornkitvikai & Harvie, 2016). However, Entrepreneurship' performance may be measured using objective, subjective and operational measures (Harash, Suhail, & Jabbar,2018). Financial measures (derived from the accounts of a company) are referred to as objective measures because they can be individually measured and verified. Traditional statement of finance performance, statement of assets and liabilities and management account, are not enough to effectively measure performance of businesses, which are seeking to survive and add shareholder/owner value. Measuring performance in Entrepreneurship requires identifying what the business does in terms of levels of processing and attaching key performance indicators to those processes (Madole, 2018).

Theoretical Framework

Credit Access Theory

The credit theory was postulated by Stiglitz and Weiss (1981) who provided a framework for analysing financial market inefficiencies. This framework provides that information asymmetry is the main cause of financial market malfunctioning in developing countries. Financial institutions that advance loans to economic agents are not only interested in the interest they receive on loans, but also the risks of such loans. Most financial institutions screen and monitor borrowers more efficiently than other investors can. They are specialized in gathering private information and processing it. Managing money and deposit accounts, banks own highly strategic information on firms' receipts and expenditures as well as the way firms develop (Aremu & Popoola, 2021).

In reference to Stiglitz and Weiss (1981), adverse selection and thus credit rationing still occurs if banks require collateral. They argue that low-risk borrowers expect a lower rate of return on average. Thus, they are less wealthy than high-risk borrowers on average after some periods. Low-risk borrowers are therefore not able to provide more collateral. Increasing collateral requirements may have the same adverse selection effect as a higher interest rate. Instead, Koech (2021) argues that banks only offer contracts in which they simultaneously adjust interest rates and collateral requirements. He proved that there is always a combination of interest rate and collateral requirements so that credit rationing does not occur.

Collateral Requirement

The importance of size of entrepreneurship collateral requirement to the banks in granting loan cannot be over emphasized. Storey (2018) stated that bank of industry financing of collateral requirement will depend on whether the lending can be secured by collateral. He also stated that firm with least intangible asset need to borrow less, compared with firms with more tangible asset because of collateral factor. Collateral has been proxies by land and machineries. Entrepreneurship has fewer assets to offer as collateral than large firms. This may largely relate to the stage of performance of entrepreneurship firms belong to. In the earlier stage of the entrepreneurship, it may have lower retained profit which may hinder them from assess finance compared to larger firms which have a longer history (Pandula, 2017). Ofei (2017) found that generally bank savings and landed property are the most important collateral accepted by credit institutions. The research also found out that 62% of the respondent felt fully constrained in assessing fund due to their inability to provide sufficient collateral and high interest rate charge by lending institutions.

Empirical results suggest there is no significant difference between small and large banks in terms of demanding for collateral and giving to access to loans. Hence, with regards to bank size, we did not find any evidence on the ability of pledging collateral by the entrepreneurship and access to loans. Furthermore, we did not find any plausible evidence that collateral can reduce interest rates on entrepreneurship loans from the bank size perspective. Similarly, our results do not support the view that collateralized loans are less risky than non-collateralized ones and also any bank size idiosyncratic difference in credit risk of entrepreneurship. Regarding the collateral segmentation across banks' sizes and bank ownership types, our regression results suggest that foreign banks demand lower fixed asset's collateral than public and private banks. On the other hand, the large banks demand for higher fixed assets as collateral than the small banks. Moreover, private banks accept lower level of third party guarantee as collateral. However, our results for personal guarantee as collateral is not significant across bank size and also across ownership structure.

Credit Terms and Performance of Entrepreneurship

Credit terms refer to standards or negotiated terms (offered by a seller to a buyer) that control the monthly and total credit amount, maximum time allowed for repayment, discount for cash or early payment, and the amount or rate of late payment penalty. According to Okech et al. (2021), credit terms include factors such as interest rate, collateral and loan repayment periods. Collateral required by commercial banks in developing countries has been a contentious issue in entrepreneurship financing. However, real-estate collateral provides an incentive and a justification to lend and repay, as well as a means to offset losses in case of default (Davydenko et al., 2017). Banks in developing countries tend to be less exposed to Entrepreneurship. Firstly, banks provide lower share of investment loans, and charge higher fees and interest rate (Yeboah et al.). Interest can be defined as the premium received by the lender after a stated period. From the borrower's point of view, interest is the cost of capital at the time of obtaining a loan. According to Balunywa (2021), interest rate in the context of demand for credit by the Entrepreneurship is the measure of the price paid by a borrower to a lender for use of financial resources for a time interval. Banks believe that lending to Entrepreneurship entails higher risks and larger transactions costs thereby justifying their high interest rates.

The very demanding requirements and bureaucratic lending procedures by the formal financial institutions remain a challenge to credit access by Entrepreneurship (Otieno et al., 2015). These bureaucratic lending procedures require that a number of Entrepreneurship provide accurate information on their financial status (Otieno et al.2015), which they do not have in most cases.

The environment in which Entrepreneurship operate is too rudimentary to facilitate documentation. Entrepreneurship' customers do not ask for receipts whenever they buy goods; suppliers do not ask for invoices, private contracts are rarely documented and requirements for audited accounts are not enforced (Turyahebwa et al., 2018) thus making it difficult to keep and produce information to creditors whenever required. For small businesses, owner characteristics may be the most important determinant of a bank's credit decision, yet most of these characteristics cannot be documented by any database (Amornkitvikai & Harvie, 2016).
In addition, **c**ollateral security seems to be the greatest hindrance to financial credit by Entrepreneurship. Collateral refers to security or guarantee for the loan borrowed (Hasnah, Saniza, Jayaraman, &Ishaka, 2018). In Nigeria, for example, the Bank of Nigeria stipulates that all loans above a certain minimum must be adequately secured, with first-class guarantees or a bond over property as preferred by the security type (Calice, Chando, & Sekiou, 2021) , which most Entrepreneurship do not have. Where the required security does not fit the needs of the target group, potential borrowers will not apply for credit even when it exists; and when they do, they will be denied access. Failure of Entrepreneurship to meet bank requirements for credit acquisition leaves them open to alternative sources of credit.
Rosenberg (2009) in his study findings supported financial institutions that prefer large loans because the administrative costs decrease proportionately to the size of the loan. Kalema (2018) conducted a research study on access to financial services in Nigeria and found that the average loan size was under UGX 300, 000 and loan terms generally between one and twelve months. Because of the small size of Entrepreneurship combined with small loans, lending rates are typically in excess of 30 per cent to reduce the risks involved in unsecured lending. On the contrary, IMF financial sector asses entrepreneurship (2018) reported that this is an unattractive means of financing Entrepreneurship' activities. The report continued that most low-income Entrepreneurship are better advised to defer borrowing until they have the necessary finance rather than borrow at such rates. Various studies also indicated that most Entrepreneurship consider small loans amount to meet immediate needs because Entrepreneurship do not have capacity or experience to handle large sums of money in their businesses and even this can lead to business failure. Loans are given depending on one's savings with financial institution and the entrepreneurship previous loan repayment, (Amornkitvikai & Harvie, 2016).

Loan procedure and Performance of Entrepreneurship

Principally, the typical process of paying off the debt balance on a loan over a period of time without any extra principal paid on the balance called loan repayment. Another method of repayment is a lump sum with interest at maturity. If the repayments of both principal and interest are up to date in accordance with the agreed repayment terms deemed to be performed. However, if the interest on principal is due or exceed 90 days postponed or transfer into a new loan it is deemed as non-performing (Nawai & Shariff, 2021). According to Pearson and Greeff (2020) the point in the borrower's repayment history which had missed at least three time installments within 24 month period describes as default. Meanwhile, when it comes to a circumstances borrowers are fail to repay a loan according to the terms or condition of a loan agreed upon signed the contract will be recognized as loan default.

Numerous researchers, enlightened that default loan will reduces the loanable fund to enterprise, and negatively affected the performance of entrepreneurship especially those who need to obtain capital for their operation in order to grow and sustain in the industries (Al-Sharafat, Qtaishat & Majdalawi, 2021). Addae-Korankye (2020) explained that a defaulted loan is a driven of delinquent loan which happen when the chance of recovery become minimal, Murray (2021) had explained that a loan default occurs when borrower does not make required payments or in some other way does not comply with the loan terms.

Ameyaw-Amankwah (2021) stressed that, default occurs when a borrowers has not met their legal obligation according to the loan contract including the inability to make a schedule payment or has violated a loan covenant of the contract. This initially represents behavior indicator of point in time that shows arising in risk borrower fails to make the loan repayment. In initial, payment default does not imply that the borrower had completely quit paying the loan. It been alluded to collection or legitimate procedure, or from accounting view that the loan had been delegated awful or actually written-off (Addae-Korankye, 2020).

According to the past researches, loan procedure or repayment performance could be influenced by numerous of factors comprising social economic attributes, demographic, management style, financial, loan characteristics, borrowers characteristics, group lending and cultural characteristics, information, training, business types, social ties and psychological. (Addae-Korankye 2020; Sinha, Dhaka and Mondal, 2021).The finding of each research mainly provided a fundamental of thought or ideas, not contrary to each other and might be essential for further study.

Empirical Review

Waithanji (2020) studied the effect of microfinance credit on the financial performance of entrepreneurship in Kiambu County, Kenya. The study was done through the use of survey design. Out of the 2,061 entrepreneurship licensed, the study randomly sampled 60 entrepreneurship. The study found that there is a direct relationship of financial accessibility and financial performance of the companies. The study also concludes that the enterprises benefit from loans from microfinance institutions, the entrepreneurship seek financial assistance from the MFIs due to interest rate, easy loan repayment and amount offered. There is need to provide an enabling environment for entrepreneurship to grow and thrive; therefore there is a need to develop strategies to enhance increased access to microfinance credit by entrepreneurship from commercial banks and microfinance institutions.

Waithanji (2021) studied the relationship between of financial accessibility on the financial performance of entrepreneurship in Kiambu County, Kenya. The study was done through the use of survey design. Out of the 2,061 entrepreneurship licensed, the study randomly sampled 60 SMSs. The study found that there is a direct relationship of financial accessibility and financial performance of the companies. The study also concludes that the enterprises benefit from loans from microfinance institutions, the Entrepreneurship seek financial assistance from the MFIs due to interest rate, easy loan repayment and amount offered. There is need to provide an enabling environment for Entrepreneurship to grow and thrive, therefore there is a need to develop strategies to enhance increased access to financial accessibility by entrepreneurship from commercial banks and microfinance institutions. In a related view, financial accessibility in Nigeria provides assistance to Entrepreneurship in the area of accounting, financial management and entrepreneurship that complies with national accounting requirements and/or best practices, this will improve the performance of Entrepreneurship. The inaccessibility of credit and capital is a major impediment to the development of Entrepreneurship, particularly because it prevents them from acquiring the new technology that would make them more productive and more competitive.

Kasekende and Opondo, (2018) examined the relationship between financial accessibility and performance of Entrepreneurship. The inaccessibility of credit and capital is a major impediment to the development of Entrepreneurship, particularly because it prevents them from acquiring the new technology that would make them more productive and more competitive. Access to finance will provide assistance to Entrepreneurship in the area of accounting, financial management and entrepreneurship that complies with national accounting requirements and/or best practices, which will improve the performance of Entrepreneurship. The study finds out that there is a strong relationship between financial accessibility and performance of entrepreneurship.

Muktar (2017) studied the linked between financial accessibility to entrepreneurship performance. They assert that the access to finance which is a component of operating expenses, profit motive, and inflation rate in the country significantly affects the performance of small scale enterprises. This is measured in terms of level of output, level of revenue and level of employment depending on how the borrowed money is put to use. Financial accessibility is not a problem as long as the borrowed money is invested in ventures with high rate of return. They however found out that for this to be achieved, a big amount of capital should be accessed by the borrowers in order for them to increase their levels of investment so as to enjoy economies of scale.

Samar and Tahir (2019) carried out a study to assess the contribution of the Bank of Industry towards entrepreneurship industrial development in Bauchi metropolis. The main aim of the study is to find out the effect of Bank of Industry providing loans towards entrepreneurship industrial development in Bauchi metropolis. The adopted Survey research design ordinary least square (OLS) was used in testing the hypotheses. The analysis of study revealed that entrepreneurship in Bauchi Metropolis were highly affected by the financial role the Bank of Industry

Adeoti, Gbadeyan and Yinusa (2021) examined the impact of microfinance credit on the survival of small- and medium-scale businesses in Irepodun Local Government Area (LGA) of Kwara State, Nigeria. The two functional microfinance banks in the Irepodun LGA were the population/sample for this study. ANOVA was used to test the hypothesis. The findings revealed that microfinance banks contribute significantly to the survival of small- and medium-scale enterprises in the study area. The study recommends that: repayment periods should be increased and more funds should be released to potential entrepreneurs for enterprise creation and to generate more employment.

Owenvbiugie and Imuentinyan (2020) carried out a study on the role of finance on the growth of small and medium scale enterprises in Edo state of Nigeria. The researchers made use of survey research approach with the aid of descriptive statistics in answering the research question. The findings of the study reveals that owing to the cumbersome number of policies and guidelines put in place by both banks and non-banking institution, it has over time served as a hindrance to entrepreneurship growth because of inability to access loans and credit from the institutions. It is based on this findings that the researcher recommends that Governments should intervene by making the rules less stringent.

Igwenagu (2019) carried out an analysis of the impact of Micro-Finance banks on the performance of Small and Medium Scale enterprises in Nigeria. The researcher wanted to know as part of the study objectives how entrepreneurship accessed finance from micro finance banks, how this funds are deployed and how it affects performance of the entrepreneurship. The researcher favoured the use of primary data through questionnaire administration and the use of secondary data through extraction of information from the annual report. The findings of the study provide empirical evidence to suggest that the entrepreneurship who accessed funds from microfinance banks also had increase in performance. The study recommends that the micro finance banks be restructured so that they can be in a better position to provide more funds for the numerous number of entrepreneurship in the country.

Bello and Mohammed (2019) examined the impact of banking sector credit on the growth of small and medium enterprises in Nigeria. The main objective of the study is to investigate whether banking sector credit has significant impact on the growth of small and medium enterprises in Nigeria. As part of the methodology, annual data between 1985 and 2010 was collected and used in the study while descriptive statistics, correlation matrix and error correction model was used to test the formulated hypotheses which reveals that banking sector credit has significant impact on the growth of small and medium enterprises in Nigeria as it has positive impact on some major macro-economic variables of growth such as inflation, exchange rate, trade debts etc. The study however, recommends that financial lending institutions

(Monetary Authorities) should relax the stringent conditions associated with credit facility in the funding of entrepreneurship in the country so as to encourage easy accessibility of loans which will help in improving entrepreneurship financing and performance.

METHODOLOGY

Descriptive survey research design was adopted in this study. This method was adopted because field research of the study was conducted and data collated was analyzed using largely descriptive statistics. The study was carried out in Delta State using primary and secondary data. The population of the study comprised 1,737 registered entrepreneurship business in Delta State include, Private Limited Company, Partnership, and Sole Proprietorship which form the bedrock of entrepreneurship businesses in Delta State, Nigeria (National Bureau of Statistics / SMEDAN Collaborative Survey (2022). Sample size consist 339 entrepreneurship using statistical formula devised by Borg and Gall (1973) to determine the sample size. For the purpose of data collation, the researcher shall make use of a structured questionnaire of five points Likert scale. In the structured questionnaire, respondents shall be required to respond to options which range from: Strongly Agree (5), Agree (4), Undecided (3), Disagree (2), Strongly Disagree (1). The reliability of the questionnaire was determined through the test-retest and Cronbach's Alpha reliability Coefficient and 0.773 was obtained. Simple percentage was use to answer the research questions, while hypotheses was tested using Multiple Regression Analysis. The test was performed at 0.05 level of significance. For decision on the hypotheses, if p-value is equal to or less than significant value of 0.05, the null hypothesis will be accepted, but if p-value is greater than significant value of 0.05, the null hypotheses will be rejected.

DATA PRESENTATION AND ANALYSIS

The data generated were presented and analyzed in this section. A total of three hundred and thirty nine (339) copies of questionnaire were distributed to the respondents. Out of the three hundred and thirty nine (339) copies distributed, three hundred and twenty seven was properly filled and found relevant to the study. 12 copies of questionnaire were not properly filled. Therefore, the analysis in this section was based on the three hundred and twenty seven (327) relevant copies. The first section presented and analyzed the demographic data; the second section analyzed the data relevant to the research questions followed by test of hypotheses and discussion of findings.

Analysis of Items Related to Research Question

The questionnaire items related to the research questions are presented and analyzed below:

Research Question One: To what extent does collateral requirement affect the performance of entrepreneurship Delta State?

Respondents opinion on whether collateral requirement affect the performance of entrepreneurship

	Frequency	Percent
Strongly Disagree	18	5.5
Disagree	68	20.8
Agree	120	36.7
Strongly Agree	121	37.0
Total	327	100.0

Source: Field Survey, 2022

Table 4.6 above indicates that 37% of the respondents strongly agreed that collateral requirement affect the performance of entrepreneurship, 36.7% of the respondents agreed, 20.8% of the respondents disagreed while the remaining 5.5% of the respondents strongly disagreed.

Research Question Two: To what degree does loan procedure affect the performance of entrepreneurship in Delta State?

Table 4.11 Respondents views' on whether size of loan affect the performance of entrepreneurship

	Frequency	Percent
Strongly Disagree	15	4.6
Disagree	43	13.1
Agree	161	49.2
Strongly Agree	108	33.0
Total	327	100.0

Source: Field Survey, 2023

Table 4.11 above indicates that 49.2% of the respondents strongly agree that does loan procedure affect the performance of entrepreneurship, 33% of the respondents agreed, 13.1% of the respondents disagreed while the remaining 4.6% of the respondents strongly disagreed.

Research Question Three: To what extent does a credit term influence performance of entrepreneurship in Delta State?

Table 4.16: Respondents opinion on whether firm credit term influence performance of entrepreneurship

	Frequency	Percent
Strongly Disagree	9	2.8
Disagree	26	8.0
Agree	228	69.7
Strongly Agree	64	19.6
Total	327	100.0

Source: Field Survey, 2023

Table 4.16 above shows that 19.6% of the respondents strongly agreed that credit term influence performance of entrepreneurship, 69.7% of the respondents agreed, 8% of the respondents disagreed while the remaining 2.8% of the respondents strongly disagreed.

Test of Hypotheses

Here, the three hypotheses formulated in this study were tested using t-statistics and significance value of the individual variables in the regression result. The essence of this is to ascertain how significant are the effect of individual independent or explanatory variables on the dependent variables. The summary of the result is presented in the table below.

T-Statistics and Probability Value from the Regression Result

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	18.916	1.918		9.863	.000
Collateral Requirement	.123	.043	.158	2.870	.001
Loan Procedure	.085	.044	.202	2.923	.000
Credit Terms	.171	.044	.209	1.901	.000

a. Dependent Variable: Performance of Entrepreneurship
b. Predictors: (Constant), Collateral Requirement, Loan Procedure ,Credit Terms

Source: SPSS 21.0

Test of Hypothesis One

Ho: Collateral requirement have no positive significant effect on the performance of entrepreneurship in Delta State

.Hi: Collateral requirement have a positive significant effect on the performance of entrepreneurship in Delta State

In testing this hypothesis, the t-statistics and probability value in table 4.7 is used. Collateral requirement has a t-statistics of 2.870 and a probability value of 0.001 which is statistically significant. Therefore, we reject the null hypothesis and accept the alternative hypotheses which state that Collateral requirement have a positive significant effect on the performance of entrepreneurship in Delta State

Test of Hypothesis Two

Ho: Loan procedure has no positive significant influence on the performance of entrepreneurship in Delta State.

Hi: Loan procedure has a positive significant influence on the performance of entrepreneurship in Delta State.

Loan procedure has a t-statistics of 2.923 and a probability value of 0.000 which is statistically significant. Therefore, we reject the null hypothesis and accept the alternative hypotheses which state loan procedure has a positive significant influence on the performance of entrepreneurship in Delta State.

Test of Hypothesis Three

Ho: Credit terms have no positive significant influence on the performance of entrepreneurship in Delta State.

Hi: Credit terms have a positive significant influence on the performance of entrepreneurship in Delta State

Credit terms have a t-statistics of 1.901 and a probability value of 0.000 which is statistically insignificant. Therefore, we reject the alternative hypotheses and accept the null hypothesis which states that credit terms had a positive significant influence on the performance of entrepreneurship in Delta State

Summary of Findings

1. Collateral requirement have a positive significant effect on the performance of entrepreneurship in Delta State. Collateral requirement has a t-statistics of 2.870 and a probability value of 0.004 which is statistically significant at 0.05 level of significance.
2. Loan procedure has a positive significant influence on the performance of entrepreneurship in Delta State. Loan procedure has a t-statistics of 2.923 and a probability value of 0.005 which is statistically significant at 0.05 level of significance.
3. Credit terms have a positive significant influence on the performance of entrepreneurship in Delta State. Credit terms has a t-statistics of 1.901 and a probability value of 0.176 which is statistically insignificant at 0.05 level of significance.

Conclusion

The study examines the effect of financial accessibility on the performance of entrepreneurship in Delta State. Data was obtained from primary sources and tested using multiple regression analysis. The results showed that collateral requirement have a positive significant effect on the performance of entrepreneurship in Delta State. Loan procedure has a positive significant influence on the performance of entrepreneurship in Delta State. Credit terms have a positive significant influence on the performance of entrepreneurship in Delta State. Therefore, the study concluded that financial accessibility had a positive significant performance of entrepreneurship in Delta State.

Recommendations

The recommended that:

1. The study established collateral security as key among the determinants of financial accessibility. Financial institutions, especially banks must come to the aid of entrepreneurship by reducing the collateral requirements, which remain high to most of them. Bank of Nigeria should come up with policies that flexibly enable entrepreneurship to access financial assistance.
2. Loan procedure should classify into low and high-interest loans scheme. The conservative loans to entrepreneurship can be maintained as low-interest loans, while loans for capital assets or technology acquisition should be low-interest loans, which can be secured and assist the development of entrepreneurship.
3. Bank should increase the duration of their entrepreneurship credit terms repayment, or spread the repayment over a longer period of time, or increase the moratorium. This will enable the entrepreneurship to have greater use of the credit over a longer period for the acquisition of capital assets and technology for business growth and development

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