BANK OF INDUSTRY AND ENTREPRENEURIAL DEVELOPMENT: LESSON FROMSMEs OPERATOR IN OGBOMOSHO, NIGERIA

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Abstract
The study investigates the Bank of Industry's (BOI) role in fostering entrepreneurship development in Ogbomosho, Nigeria. It particularly examines entrepreneurs' access to BOI financing, the influence of BOI support on business growth, and the link between BOI interventions and entrepreneurship progress. Using a cross-sectional survey design, the research targeted SMEs across various sectors such as recharge cards, nylon production, ice-block production, block molding, and mini retailing in Ogbomosho North Local Government Area, Oyo State. From a total population of 120 SMEs, 92 respondents were selected through stratified random sampling. Data collection was conducted via structured questionnaires, with analysis performed using descriptive statistics (frequency and percentage) and inferential statistics (ordinary least squares regression and Pearson product-moment correlation). The study's findings indicate that the Bank of Industry (BOI) plays a significant role in entrepreneurship development by providing financial support, mentorship, training opportunities, access to resources, and fostering a supportive business environment. Regression analysis revealed that BOI interventions explain 72% of the variation in entrepreneurship development ($R^2 = 0.721$, $F = 18.343$, $p < 0.001$). Despite this positive impact, only 24% of surveyed entrepreneurs had accessed BOI financing, highlighting considerable barriers to support access. The study concludes that BOI has a strong positive effect on entrepreneurial development for those who benefit and recommends that the bank enhance its enabling environment, increase awareness and accessibility, and improve training and resource provision to foster broader business growth among entrepreneurs.

Keywords: Bank of industry, entrepreneurial development, Nigeria, Ogbomosho, small and medium enterprises.

1.0 Introduction

Entrepreneurship is crucial for economic and industrial growth, as it drives wealth creation, job generation, and national development (Ebiringa&Yadirichukwu, 2012). In Nigeria, government initiatives have been implemented to support entrepreneurial activities, recognizing their role in enhancing living standards. Entrepreneurship entails the creation or enhancement of goods and services through efficient resource utilization, risk-taking, and innovation, which contribute to both economic and social progress (Hisrich&Drnovsek, 2002; Udu, Udu, &Eze, 2008). Historical factors such as indigenization policies and economic reforms have further promoted indigenous

involvement in business, thereby reinforcing Nigeria's economic development (Etim & Iwu, 2019; Paul & Sharma, 2013).

Entrepreneurial development centers on improving the skills, knowledge, and capabilities needed to identify opportunities, mobilize resources, and sustain business growth through training and institutional support (Osemeke, 2012). It highlights the importance of innovation, strategic planning, and acquiring conceptual, human, and technical skills essential for effective business management. To facilitate this development, the Nigerian government has implemented intervention programs and established institutions such as the Bank of Industry (BOI), the Small and Medium Industries Development Agency of Nigeria (SMIDAN), and the National Poverty Eradication Programme (NAPEP). These entities aim to promote enterprise development by providing financing, policy support, and capacity-building initiatives (Paul & Sharma, 2013; Mustapha, 2013).

While the banking system offers both short- and long-term financing to individuals, corporations, and institutions, many Nigerian entrepreneurs face difficulties accessing these funds due to the perceived high risk associated with small and medium enterprises (SMEs). This financing gap creates a need for specialized development finance institutions like the Bank of Industry (BOI) to provide equitable financing opportunities for SMEs (Sangosanya, 2011). Challenges such as inconsistent government policies, high monetary policy rates, loan diversion, exchange rate depreciation, infrastructural deterioration, and unsuitable loan tenors further hinder banks from effectively extending credit to entrepreneurs.

Although the Bank of Industry extends loans to entrepreneurs, determining its precise role in fostering entrepreneurial growth remains challenging and unresolved. Moreover, despite the recognized importance of development finance in entrepreneurship, there is no consensus on whether financial institutions effectively increase credit delivery to entrepreneurs, especially following the banking sector consolidation. Empirical studies by Riding, Orser, and Spence (2010) and Onakoya, Fasanya, and Abdulrahman (2013) found that credit from financial institutions had no significant impact on entrepreneurs' growth toward profitability. This contrasts with findings from Okpara and Wynn (2008), Bassey, Asinya, and Amba (2014), and Sama'ila and Tahir (2015), whose research demonstrated a significant positive effect of development finance on entrepreneurial growth.

Given the inconsistencies and mixed findings in previous research, further investigation is essential. This study addresses this gap by examining the impact of the Bank of Industry (BOI) on entrepreneurial development in Ogbomosho, Oyo State, Nigeria. Ogbomosho North Local Government Area was selected due to its high concentration of diverse SMEs and its significance as a commercial hub in Oyo State, making it an ideal setting to assess BOI's reach and effectiveness in promoting entrepreneurial growth within a medium-sized Nigerian city.

This study addresses the following research questions:

i. Do entrepreneurs have accessibility to the Bank of Industry (BOI) financing?
ii. What is the impact of the Bank of Industry (BOI) on entrepreneurial development?
iii. What is the relationship between the Bank of Industry and entrepreneurial development?

The general objective of this study is to assess the impact of the Bank of Industry (BOI) on entrepreneurial development. However, the specific objectives are to:

i. Examine entrepreneurs' accessibility to the Bank of Industry (BOI) financing.
ii. Ascertain the impact of the Bank of Industry (BOI) on entrepreneurial development.
iii. Determine the relationship between the Bank of Industry and entrepreneurial development.

The hypotheses tested in this study are:

H_{01}: The Bank of Industry has no significant impact on entrepreneurial development.

H_{02}: There is no significant relationship between Bank of Industry and entrepreneurial development.

This study contributes valuable insights for Nigerian policymakers on promoting economic growth through entrepreneurship development in Oyo State. By examining the impact of the Bank of Industry on entrepreneurship, the research aims to shed light on factors contributing to the recent decline in industrial output. It will help the government better understand the challenges entrepreneurs face, particularly regarding access to finance, and the complexities involved in addressing these issues. Consequently, the findings will support the formulation of effective strategies to enhance the role and effectiveness of development finance institutions, ultimately fostering entrepreneurial growth and industrial development.

Secondly, this study will be valuable to other researchers by providing a foundation for exploring related areas that were beyond the scope of this research. Its significance lies in expanding the understanding of development finance and SME financing, thereby encouraging further investigation and broadening the knowledge base in these fields.

This study is geographically confined to Ogbomosho North Local Government Area in Oyo State, Nigeria, rather than the entire state. The focus is on Small and Medium Enterprises (SMEs) within this specific local government area. The dependent variable, entrepreneurial development, is measured through perceptual indicators such as business growth, profitability improvement, skill acquisition, and business expansion, assessed via Likert-scale questionnaire items. The independent variable, the Bank of Industry (BOI), is measured by entrepreneurs' access to BOI financing (coded as a binary variable), the types of BOI support received (financial assistance, training, mentorship), and the duration of their relationship with BOI. The study encompasses SMEs operating in five sectors: recharge card business, nylon production, ice-block production, block molding, and mini retailing.

2.0 Literature Review

Entrepreneurship is the process of creating something new and valuable by committing the necessary time and effort, while managing financial, mental, and social risks, and ultimately gaining monetary and personal satisfaction and freedom (Hisrich, 2005). It goes beyond merely starting a business; it involves the pursuit of opportunities, risk-taking, and the perseverance to turn ideas into reality. Entrepreneurship is a unifying concept that has transformed the way businesses function (Kuratko, 2004).

In its broadest sense, an entrepreneur can be described as an individual who has the ability to explore the environment, identify opportunities for improvement, mobilize resources, and take actions to maximize those opportunities. The entrepreneur acts as a catalyst for change, capable of creating new combinations and playing a crucial role in discovering new opportunities (Volsee, 1994). However, according to Schumpeter (1934), the entrepreneur is not necessarily the risk bearerunless they own the resourcesbut rather the driving or key agent of change.

Bygrave and Hofer (1991) describe entrepreneurship as a process involving the identification of opportunities and the creation of organizations to pursue them, focusing on activities and tasks rather than a fixed definition. Historically, early economic thinkers like Cantillon and Say emphasized risk-taking and managerial skills as core to entrepreneurship. In contrast, modern perspectives view entrepreneurship as a dynamic process of wealth creation achieved through the effective application of skills, resources, and commitment (Hisrich, 2005).

Concept of Entrepreneurial Development

Entrepreneurship has been defined in various ways due to its broad and complex nature within economic theory, leading researchers to specify its meaning clearly in different contexts (Bygrave & Hofer, 1991). Commonly, scholars view entrepreneurship as a dynamic process driven by individuals who identify opportunities, mobilize resources, assume risks, and create value through innovation and enterprise creation (Schumpeter, 1934; McClelland, 1961; Ronstadt, 1984). It encompasses organizational creation, renewal, and innovation aimed at fulfilling market needs and generating wealth (Jones & Sakong, 1980; Bygrave & Hofer, 1991; Dollinger, 2003).

The key elements of entrepreneurship include risk-taking, innovation, opportunity identification, resource mobilization, value creation, and effective business management. Entrepreneurship development focuses on enhancing the skills, knowledge, and capabilities required to identify opportunities, mobilize resources, and sustain business growth through training and institutional support (Osemeke, 2012). It emphasizes acquiring conceptual, human, and technical skills essential for innovation, strategic planning, and effective business management. Based on these elements, entrepreneurship can be understood as the coordinated use of production factors to create goods and services that fulfill economic or social objectives.

Development Finance Institutions and SME Support

Development finance institutions (DFIs) are specialized financial entities established by governments to provide long-term financing and support for economic development projects, especially in sectors underserved by commercial banks. DFIs address market failures in financial systems by offering patient capital, technical assistance, and capacity building to enterprises that struggle to access traditional bank financing. Unlike commercial banks, which prioritize short-term profitability and collateral-based lending, DFIs emphasize developmental impact, risk-sharing, and the long-term sustainability of the enterprises they support.

Bank of Industry (BOI)

The Bank of Industry (BOI) is Nigeria's oldest and largest development finance institution, established in 2001 through the merger of the Nigerian Industrial Development Bank (NIDB), the Nigerian Bank for Commerce and Industry (NBCI), and the National Economic Reconstruction Fund (NERFUND) (Adegoke, 2019). The primary objective of BOI is to promote industrial development in Nigeria and contribute to economic growth by providing entrepreneurs and small business owners with access to finance.

The Bank of Industry (BOI) has a dual mandate to provide long-term financing for large-scale industrial projects and to support micro, small, and medium enterprises (MSMEs) through a range of loan and non-loan products (Esan, Alhassan, & Shuaibu, 2014). Over the years, BOI has played a significant role in developing key sectors of the Nigerian economy, including agriculture, solid minerals, and construction, among others (Okpara, 2021). One way BOI supports MSMEs is through various loan schemes for instance, the Small and Medium Enterprises (SMEs) loan scheme offers financing to businesses across different sectors, while the Agricultural Credit

Scheme focuses on providing funding for agribusinesses. Additionally, BOI has established partnerships with various organizations and financial institutions to provide funding and technical assistance to MSMEs (Ojeleke, Aransiola, & Kolawole, 2022).

Despite its mandate to support MSMEs, the Bank of Industry (BOI) has encountered several challenges in fulfilling its objectives. A major issue is the lack of awareness among potential customers about BOI and its products, which has constrained the bank's ability to effectively reach its target market (Dangiwa, Shekarau, &Dogara, 2022). Additionally, limited access to finance remains a significant barrier to the growth and development of MSMEs (Ojeleke et al., 2022). Other obstacles include bureaucratic procedures, stringent collateral requirements, and the geographical concentration of BOI branches primarily in urban areas, all of which hinder broader accessibility.

Theoretical Review

Modern Theory of Entrepreneurship

Rather of offering a single definition of the entrepreneur, McClelland (1961) and Penrose (1968) defined entrepreneurship by emphasizing entrepreneurial action. Key entrepreneurial traits that McClelland highlighted include skill-based, modest risk-taking, inventive and dynamic activity, personal accountability, motivation from results, organizational ability, and foresight of future prospects. He underlined that psychological elements linked to accomplishment motivation, which are influenced by beliefs and familial background, form the foundation of both economic growth and entrepreneurial success. According to McClelland, societies with greater success motivation tend to produce more entrepreneurs who use their businesses to propel economic growth. This theory is relevant to the present study as it provides insight into the psychological drivers that motivate entrepreneurs to seek external support like BOI financing to achieve their business goals.

Innovation Theory of Entrepreneurship

Schumpeter (1934), in contrast to Milli, believed that the most important distinction between an entrepreneur and a manager was invention rather than risk-taking. According to him, an entrepreneur's overall goal is to develop new goods and services, new suppliers, and new organizational structures. In his book Capitalism, Socialism, and Democracy, he stated that entrepreneurs are responsible for putting inventions into practice. An entrepreneur is a creative, risk-taking individual who starts and runs a business with the intention of expanding and turning a profit.

The key characteristics of the entrepreneur that had to be possessed by Schumpeter were a sharp sense of innovation, the understanding of the things that matter and that which must be done, the tolerance to the ambiguous and unstructured cases, the intuitive analytical skill, and the talents to find the links that had not been established or developed previously. Based on the above, a close correlation can be drawn between entrepreneurship, innovation, risk-bearer, and profit. However, and most importantly, it is an innovative action of entrepreneurs that will produce dynamic change that subsequently will cause economic growth and development. The theory is applicable in the study since the support mechanisms offered by BOI (financial-assistance, training, mentorship) are aimed at easing the process of innovation and decreasing barriers to the implementation of the innovative idea by the entrepreneur.

Financial Growth Theory

Berger and Udell (1998) suggest a financial growth theory of SMEs in which the financial requirements and financing opportunities vary with the growth of the business, its experience and its decrease in information opaqueness. They also imply that, firms are distributed on a size/age/information continuum with the smaller, younger, less opaque firms located close to the left side of the continuum, and therefore, these firms are forced to use initial insider finance and trade credit. The model of the financial growth theory predicts that in the places where a firm is growing, it is going to have access to venture capital as source of intermediate equity and mid-term loans as sources of intermediate debt. When the firm becomes older, more experienced and more informationally transparent at the last stage of the growth paradigm, it is expected to get access to the public equity or long-term debt.

This theory is particularly relevant to understanding BOI's role in entrepreneurial development. The financial growth theory says that the availability of financial resources like loans and investment capital is a key factor in the growth and development of firms and entrepreneurs (Ayyagari, Beck, & Demirgüç-Kunt, 2011). According to this theory, having access to appropriate finance at different stages of business development can help businesses and entrepreneurs grow by enabling them to invest in capital and expand their operations, leading to higher productivity, increased income, and sustained growth.

Theoretical Framework

This study adopts financial development theory as its theoretical framework. As a development finance institution, the BOI's intervention is consistent with the prediction of financial development theory that firms at different stages of the size/age/information continuum require different types of financial assistance. Young, small and informationally opaque SMEs in Ogbomosho face significant barriers to accessing commercial bank financing due to lack of collateral, limited credit history and high perceived risk. BOI addresses these barriers by providing patient capital, accepting alternative forms of collateral, and offering complementary non-financial services such as business development training and consulting.

By providing financial resources through various loan schemes, the BOI enables MSMEs to invest capital, expand operations and become more competitive (Adenikinju and Olukoshi, 2003). In addition, the BOI provides technical assistance and capacity-building programs to entrepreneurs and small business owners to help them develop their management skills and business practices, making them more competitive in their markets (Adenikinju and Olukoshi, 2003). As these enterprises grow and become more informationally transparent through BOI support, they gain access to broader financing options from the formal financial sector, consistent with the predictions of financial development theory. Thus, the BOI acts as an important bridging institution that facilitates the movement of firms along the size/age/information continuum towards greater financial inclusion and sustainable development.

Empirical Review

The literature emphasizes entrepreneurship as a key driver of wealth creation, employment generation, poverty reduction and improved living standards. Entrepreneurship enables individuals to use their skills to produce goods and services, create jobs, and increase access to basic needs such as food, shelter, education, health care, and security (Dunya, 2018; Bouperriere, 2012; Barstow, 2014). The growing entrepreneurial activities in Nigeria are linked to unemployment,

economic reform, privatization and poverty alleviation programs, contributing to national and global competitiveness (Mustapha, 2013; World Economic Forum, 2006).

Empirical studies in Nigeria consistently show that small and medium scale enterprises play a vital role in socio-economic development, employment creation and economic growth (Abiola, 2014; Ayoji, 2013; Chris, 2012). These studies, using survey designs and chi-square analyses, conclude that well-managed SMEs enhance national growth and economic recovery supported by appropriate government policies and funding. Using co-integration analysis, Okafor, Ugochukwu and Chijindu (2016) found that SMEs contribute significantly to Nigerian GDP growth, while Opafunso and Adepoju (2014) demonstrated that SMEs have a positive impact on employment creation and poverty reduction in Ekiti State.

Access to finance remains central to SME growth and survival. While some studies report limited impact of commercial bank credit on SME expansion (Oke, 2016), others find significant positive relationships between development finance, bank credit, microfinance services and SME growth (Ayeni&Osho, 2015; Olowe, Moradayo, & Babalola, 2013; Adeoti, Olawale, & Oladele, 2015). Microfinance credit, loan tenure and flexible repayment terms are shown to support the survival and expansion of SMEs, with recommendations of low interest rates, relaxed collateral requirements and extended repayment periods. Specifically, on the impact of BOI, Samaila and Tahir (2015) examined the role of BOI in the development of SMEs in Bauchi Metropolis using descriptive statistics and found that BOI credit significantly supports SME development. Dangiwa et al. (2022) investigated BOI's contributions to SME growth in Kaduna State and found positive but limited reach due to awareness constraints. Ojeleke et al. (2022) studied BOI and SME development in Ikeja Business District, Lagos State and found that BOI support positively impacts business performance but bureaucratic barriers limit access. These studies consistently point to the dual reality of BOI's positive impact among beneficiaries along with significant access barriers limiting the reach of the institution.

Contradictory findings exist in the literature. Onakoya, Fasanya, and Abdulrahman (2013) found that financial institution credit to SMEs has no significant impact on their growth toward profitability, while Riding, Orser, and Spence (2010) reported similar findings in Canada. These findings contradict those of Okpara and Wynn (2008), Bassey et al. (2014), and Uremadu, Ani, and Odili (2014), who found significant positive impacts of bank credit on SME growth. These mixed findings may reflect differences in study contexts, methodologies, financial sector development levels, and the specific types of financial institutions studied.

Theoretical perspectives highlight that sustainable entrepreneurial success depends on the effective deployment of valuable, rare, and inimitable resources and capabilities (Penrose, 1959; Udu et al., 2008). Entrepreneurs and small-scale businesses must therefore develop unique skills and strategic capabilities to achieve long-term competitive advantage in a dynamic business environment. External support from institutions like BOI can facilitate this resource and capability development, particularly for young firms facing resource constraints and capability gaps.

3.0 Methodology

The cross-sectional survey research design was employed in this investigation. To describe character, attitudes, behaviors, or associations within a population, a cross-sectional survey design uses a sample of people at a certain moment in time. The design will be appropriate for this study since it will enable the researcher to gather first-hand information by interviewing SME operators

about their experiences with BOI financing, assess opinions about the impact of BOI, and examine the relationship between BOI support and indicators of the growth of entrepreneurship over a specified period of time. The research gathered data via a properly designed questionnaire which was given to the sampled SMEs based on Ogbomosho North Local Government Area. The analysis of data obtained with the help of questionnaires was performed with the help of descriptive (frequencies, percentages, tables and charts) and inferential statistics (ordinary least squares regression and Pearson product moment correlation coefficient).

Area of Study

In Oyo State, Nigeria's Ogbomosho North Local Government Area, the study was carried out. On Nigeria's A1 route, Ogbomosho is situated in Oyo State at coordinates 8°08'N, 4°15'E. Oyo State is the fourteenth largest state in Nigeria, covering an area of 28,454 square kilometers. The region is made up of dome-shaped hills that range in elevation from 500 meters in the south to 1,219 meters in the north, as well as old hard rocks. This headland is the source of several rivers, including the Ogun, Oba, Oyan, Otin, Ofiki, Sasa, Oni, Erinle, and Osun. The climate of the area is tropical, meaning it is humid and has high humidity. The wet season runs from April to October, whereas the dry season is from November to March. Throughout the year, average daily temperatures range between 25°C to 35°C.

Ogbomosho North Local Government Area was selected for this study because of its concentration of diverse small and medium enterprises, its importance as a commercial hub in Oyo State, and because it represents a medium-sized Nigerian city where development finance institutions such as BOI seek to expand their reach beyond major metropolitan centres. The local government sector hosts a variety of SMEs in the manufacturing, trade and service sectors, making it suitable for examining the impact of the BOI in various entrepreneurial activities.

Study Population

All registered small and medium-sized businesses that operate in the Ogbomosho North Local Government Area made up the study's population. The study especially targeted SMEs in five industries: tiny retail enterprises, block molding (the process of making cement blocks), ice-block production, recharge card business, and nylon production. These industries were chosen because they comprise both manufacturing and trading businesses, have different capital needs, and reflect typical SME operations in the research region. In the Ogbomosho North Local Government Area, 120 SMEs functioning in these five sectors were found by the researcher during a preliminary census. The study's population frame consists of these 120 SMEs.

Sampling Frame

The sampling frame was 120 Small and Medium Enterprises in Ogbomosho North Local Government Area, across five business sectors: recharge card business, nylon production, ice-block production, block molding, and mini retail business.

Sampling Method and Sample Size

The study employed stratified random sampling technique to ensure proportional representation from each business sector. The SMEs were first divided into five strata based on business type: recharge card business, nylon production, ice-block production, block molding, and mini retail business. From the population of 120 SMEs, the sample size was determined using Krejcie and Morgan's (1970) sample size determination table at 95% confidence level and 5% margin of error. Based on this formula, a sample size of 92 respondents was determined appropriate for the study.

However, to account for possible non-response, questionnaires were distributed to 100 SMEs proportionally across the five strata. Random sampling technique was then used to select specific enterprises within each stratum. The proportional allocation ensured that each business sector was represented in the sample according to its proportion in the population, thereby enhancing the representativeness and generalizability of the findings.

Source of Data

This study used primary sources of data. Primary data was collected through the administration of a structured questionnaire to selected SME owners and managers in Ogbomosho North Local Government Area. The questionnaire was designed to elicit information about respondents' socio-economic characteristics, access to BOI financing, types of BOI support received, perceived impact of BOI support on business development and the relationship between BOI interventions and entrepreneurship development. The questionnaire provided a wide range of response options, including binary responses (yes/no), Likert scale items (strongly agree to strongly disagree), and categorical responses to ensure comprehensive data collection, while allowing respondents sufficient flexibility to accurately express their experiences and perceptions.

Method of Data Collection

Data was collected through individually administered questionnaires. The researcher, with the assistance of trained research assistants, distributed questionnaires directly to SME owners and managers at their business locations. This method ensured high response rates, allowed clarification of questionnaire items where necessary, and enabled immediate retrieval of completed questionnaires. The questionnaire included both closed-ended questions (binary yes/no responses and five-point Likert scale items) and demographic items to gather comprehensive data on BOI financing access, perceived impact, and entrepreneurship development outcomes. Likert scale questions were structured to measure respondents' level of agreement with statements about the role of the BOI in supporting entrepreneurship development across multiple dimensions, including financial assistance, mentorship, training, resource access, and enabling environment.

Measurement of Study Variables

The dependent variable of this study is entrepreneurial development, which was measured using multiple perceptual indicators captured through Likert-scale questionnaire items. Specifically, entrepreneurial development was operationalized through the following dimensions:

i. Business growth (measured by perceived increase in business scale, customer base, and market reach)
ii. Profitability improvement (measured by perceived increase in profit margins and return on investment)
iii. Skill acquisition (measured by perceived improvement in business management capabilities and technical skills)
iv. Business expansion (measured by perceived capacity to expand operations, add new product lines, or open new branches)

The independent variable is the Bank of Industry, which was measured using the following indicators:

i. Access to BOI financing (coded as a binary variable: 1 = received BOI financing, 0 = did not receive BOI financing)

ii. Types of BOI support received (categorical variable including financial assistance, mentorship, training programs, resource access, and policy support)
iii. Duration of relationship with BOI (measured in years)

For analytical purposes, a composite index of entrepreneurial development was constructed by aggregating responses across the multiple Likert-scale items measuring different dimensions of entrepreneurial development. Similarly, a composite measure of BOI support was created by combining the binary access variable with the intensity and diversity of BOI interventions received. This approach allows for a comprehensive assessment of the multifaceted relationship between BOI support and entrepreneurial development.

Method of Data Analysis

The data collected was analyzed using both descriptive and inferential statistics. Descriptive statistics including frequencies, percentages, tables and charts were used to analyze the socio-economic characteristics of the respondents and address the first objective related to entrepreneurs' access to BOI financing. The descriptive analysis provides a clear picture of the distribution of responses and the prevalence of BOI financing access among the surveyed entrepreneurs.Inferential statistics were employed to test the study's hypotheses and examine relationships between variables. Specifically, ordinary least squares (OLS) regression analysis was used to test the first hypothesis related to the impact of BOI on entrepreneurship development. OLS regression was chosen because it provides maximum likelihood estimates for the regression coefficients when the assumptions of linearity, independence, homoscedasticity, and normality are met. The regression model allows to determine the magnitude and direction of the effect of BOI on entrepreneurial development while controlling for potential confounding factors.Pearson product moment correlation coefficient (PPMC) was used to test the second hypothesis related to the relationship between BOI and entrepreneurship development. The PPMC measures the strength and direction of the linear relationship between two continuous variables, with values ranging from -1 (perfect negative correlation) to +1 (perfect positive correlation). Statistical significance was set at the 0.05 alpha level (95% confidence interval). Data analysis was performed using the Statistical Package for Social Sciences (SPSS) version 25.
The regression model estimated for this study is specified as:

$$ED = \beta_0 + \beta_1 BOI + \varepsilon$$

Where:

ED = Entrepreneurial Development (dependent variable, measured as a composite index)
β_0 = Intercept term (estimated coefficient representing baseline entrepreneurial development)
β_1 = Regression coefficient of the independent variable (BOI)
BOI = Bank of Industry support (independent variable, measured as a composite of access, type, and intensity of support)
ε = Error term (capturing unexplained variation in entrepreneurial development)

The coefficient β_1 represents the change in entrepreneurial development associated with a unit change in BOI support. A positive and statistically significant β_1 would indicate that BOI support positively impacts entrepreneurial development, providing evidence to reject the null hypothesis.

4.0 Results and Discussion

Data Presentation

One hundred (100) questionnaires were administered to selected SME owners and managers in Ogbomosho North Local Government Area. Of the 100 questionnaires distributed, 92 were retrieved and found suitable for analysis, representing a response rate of 92%. This high response rate is due to the individually administered questionnaire approach, which ensured direct contact with respondents and immediate retrieval of completed instruments. Therefore, the analysis presented in this chapter is based on the 92 valid responses received.

Socio-Economic Characteristics of the Respondents

Table 1 presents the socio-economic behaviour of the respondents. The results showed that 66% (61 respondents) of the sampled respondents were males, while 34% (31 respondents) were females. This gender distribution indicates that the majority of SME operators in the study area are male, which reflects the broader pattern of male dominance in entrepreneurship in Nigeria, although female participation remains significant.

The age distribution shows that 10% of the respondents (9 respondents) are between 21-30 years of age, 20% (18 respondents) are between 31-40 years of age, 58% (53 respondents) are between 41-50 years of age, and 13% (12 respondents) are above 50 years of age. This distribution indicates that the majority of SME operators in the study area are in the 41–50 age group, suggesting that entrepreneurship in the region is dominated by mature, middle-aged individuals who are likely to have substantial business experience.

Regarding marital status, 55% of the respondents (51 respondents) are married, 35% (32 respondents) are single, and 10% (9 respondents) are divorced. The higher proportion of married entrepreneurs may indicate greater financial responsibility and motivation to succeed in business to support family obligations.

The educational background of the respondents revealed that 15% (14 respondents) had no formal education, 41% (38 respondents) had school certificates (SSCE/WAEC), 29% (27 respondents) had OND/NCE qualifications, and 15% (14 respondents) had BSc/MSc certificates. This distribution indicates that the majority of respondents (85%) have formal education, with a large proportion holding tertiary qualifications. This relatively high educational attainment level suggests a good ability among entrepreneurs to understand and adopt better business practices and innovations.

Work experience data shows that 20% of the respondents (18 respondents) have 1-5 years of experience, 30% (28 respondents) have 6-10 years of experience, while 50% (46 respondents) have more than 10 years of experience. This distribution indicates that most of the respondents are experienced entrepreneurs with substantial operational history in their respective businesses. This high level of experience suggests that respondents are well placed to provide an informed assessment of the impact of the BOI on their business development.

Table 1:
Socio-Economic Characteristics of the Respondents

Characteristic	Frequency	Percentage (%)
Gender		
Male	61	66.3
Female	31	33.7
Total	92	100.0
Age (years)		
21-30	9	9.8
31-40	18	19.6
41-50	53	57.6
Over 50	12	13.0
Total	92	100.0
Marital Status		
Married	51	55.4
Single	32	34.8
Divorced	9	9.8
Total	92	100.0
Educational Background		
No formal education	14	15.2
School certificate	38	41.3
OND/NCE	27	29.4
BSc/MSc	14	15.2
Total	92	100.0
Working Experience (years)		
1-5	18	19.6
6-10	28	30.4
Over 10	46	50.0
Total	92	100.0

Source: Authors computation fron field work, 2026.

Access to BOI Financing

Table 2 presents data on respondents' access to financial assistance from the Udyog Bank. The results show that only 24% of the respondents (22 respondents) have received financial assistance from the BOI, while 76% (70 respondents) have not accessed BOI financing. This finding indicates

that despite the mandate of BOI to support SME development, most of the sample entrepreneurs in Ogbomosho North Local Government Area have not accessed BOI financing.

This low access rate raises important questions about the constraints of BOI financing. Potential barriers may include lack of awareness of BOI products and services, stringent documentation requirements, collateral barriers, geographic distance from BOI offices, lengthy application processes, or limited BOI outreach in medium-sized towns such as Ogbomosho. The findings suggest a significant gap between the intended reach of the BOI and its actual penetration among SMEs in the study area, highlighting the need for improved access mechanisms and enhanced awareness campaigns to bring more entrepreneurs into the BOI support system.

Table 2.
Access to Financial Assistance from BOI

Access to BOI Financing	Frequency	Percentage (%)
Yes	22	23.9
No	70	76.1
Total	92	100.0

Source: Author's Computation, 2026.

The Impact of Bank of Industry (BOI) on Entrepreneurial Development

Table 3 presents the respondents' perception about the impact of BOI on entrepreneurship development. The results show that BOI has had a positive impact on several dimensions. However, it is important to note that only 24% of respondents accessed BOI financing directly, meaning that most perceptions may be based on indirect observations.

Table 3.
The Impact of Bank of Industry on Entrepreneurial Development

Statement	SA	A	U	D	SD
BOI has played a significant role in entrepreneur growth	76	24	0	0	0
BOI has increased availability of funds	30	60	5	5	0
BOI has provided effective mentorship	43	38	2	10	7
BOI has fostered favorable environment	30	60	0	10	0
BOI has improved access to training	64	20	6	10	0
BOI has contributed to overall success	30	54	6	10	0
BOI has supported various industries	83	11	0	6	0

Source: Author's compilation, 2026.
Note: SA=Strongly Agree, A=Agree, U=Uncertain, D=Disagree, SD=Strongly Disagree

Relationship between BOI and Entrepreneurial Development

Table 4 shows the relationship between BOI and entrepreneurial development.

Table 4.
Relationship between BOI and Entrepreneurial Development

Statement	SA	A	U	D	SD
BOI support helps start/expand businesses	43	56	2	5	0
BOI support develops skills and best practices	70	30	0	0	0
BOI helps access market information	45	25	10	15	5
BOI influences supportive policies	80	15	0	5	0
BOI supports research and innovation	67	17	6	9	0

Source: Author's compilation, 2026.
Note: SA=Strongly Agree, A=Agree, U=Uncertain, D=Disagree, SD=Strongly Disagree

Test of Hypotheses

Two hypotheses were tested using OLS regression and Pearson correlation at 0.05 significance level.

H_{01}: The Bank of Industry has no significant impact on entrepreneurial development.

Table 4.5 shows the model summary with R = 0.849 and R^2 = 0.721, indicating that BOI support explains 72.1% of variation in entrepreneurial development.

Table 5.
Model Summary

Model	R	R^2	Adjusted R^2	Std. Error
1	0.849	0.721	0.718	1.251

Source: Computed using SPSS Statistics from field survey data, 2026.
Predictors: (Constant), BOI Support

Table 6.
ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	490.450	1	490.450	232.463	0.000
Residual	189.731	90	2.108		
Total	680.181	91			

Source: Computed using SPSS Statistics from field survey data, 2026.
Dependent Variable: Entrepreneurial Development

Table 7.
Regression Coefficients

Model	B	Std. Error	Beta	T	Sig.
(Constant)	0.228	0.442		0.516	0.607
BOI Support	0.890	0.058	0.849	15.247	0.000

Source: Computed using SPSS Statistics from field survey data, 2026.

Decision on Hypothesis One
Since $p = 0.000 < 0.05$, we reject H_{01}. The Bank of Industry has a statistically significant positive impact on entrepreneurial development ($\beta = 0.890$, $p < 0.001$).

Test of Hypothesis Two
H_{02}: There is no significant relationship between BOI and entrepreneurial development.

Table 8.
Pearson Correlation Analysis

Variables	Correlation (r)	Sig.
BOI Support and Entrepreneurial Development	0.849**	0.000

Source: Computed using SPSS Statistics from field survey data, 2026.
** Correlation is significant at 0.01 level; N = 92

Decision on Hypothesis Two

Since $p = 0.000 < 0.05$, we reject H_{02}. There is a statistically significant strong positive relationship between BOI and entrepreneurial development ($r = 0.849$, $p < 0.001$).

5.0 Summary, Conclusion, and Recommendations
This study examined the impact of the Bank of Industry on entrepreneurial development in Ogbomosho, Nigeria. The key findings are: (1) Only 24% of entrepreneurs accessed BOI financing; (2) BOI has a significant positive impact on entrepreneurial development ($R^2 = 0.721$, $p < 0.001$); (3) There is a strong positive relationship between BOI and entrepreneurial development ($r = 0.849$, $p < 0.001$). Both null hypotheses were rejected.

Bank of Industry has substantial positive impact on entrepreneurship development among beneficiaries in Ogbomosho. BOI's interventions through financial assistance, capacity building, consultancy and policy advocacy contribute significantly to business growth and development. However, the impact of BOI is hampered by limited reach (only 24% reach rate). This represents a significant challenge that limits the overall contribution of the BOI. Addressing access through awareness campaigns, simplified processes and decentralized service delivery can enhance the developmental impact of BOIs.

Based on the findings, the following recommendations are proposed:

i. BOI should intensify awareness campaigns in medium-sized towns like Ogbomosho.
ii. BOI should simplify application procedures and reduce bureaucratic hurdles.
iii. BOI should decentralize service delivery through mobile units or partnership branches.

iv. BOI should strengthen non-financial support services, especially market information access.
v. BOI should expand capacity-building programs tailored to specific sectors.
vi. BOI should develop flexible financing products for different business stages.
vii. The government should provide adequate budgetary support to enable BOI expansion.
viii. Future research should use longitudinal designs and compare beneficiaries versus non-beneficiaries.

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