IMPACT OF BANKS AND OTHER FINANCIAL INSTITUTIONS IN ENHANCING THE GROWTH OF ENTREPRENEURIAL DEVELOPMENT: AN EMPIRICAL STUDY OF SOUTH-SOUTH NIGERIA

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Abstract
This study was carried out to investigate the impact of banks and other financial institutions in enhancing the growth of entrepreneurial development: An empirical study of South-South, Nigeria. A set of structured questionnaire was used as the instrument for data collection and administered on 335 entrepreneurs in the South-South, Nigeria randomly selected using YaroYemane formula. Applying this formula, the sample size from a population of 2056 is 335 respondents at 95% confidence level. Three hundred and thirty five copies of questionnaire were distributed to the respondents and 288 copies were recovered giving a recovery rate of 85.9%. Data analysis was made and the hypotheses formulated were tested using Kruskal Wallis-one-way analysis of variance by rank. For the first hypothesis and the second hypothesis was tested using independent t-test statistics. The findings revealed that positive and significant relationship exists between banks and other financial institutions in providing loans to promote entrepreneurship development in South-South, Nigeria. Another finding revealed that positive and significant relationship exists between banks and other financial institutions in providing advisory services to promote entrepreneurship development in South-South, Nigeria. It was concluded that banks and other financial institutions play a very significant role for the performance and survival of entrepreneurs in South-South Nigeria. The study however, recommended that banks should keep a constant vigil over the enterprises being financed by them. The banks must ensure that funds are being properly utilized in business. This can be possible if a proper monitoring system on credit administration and utilization is established in the banks. The banks must ensure that the enterprises live above failure that may result from poor management despite the best intention of the entrepreneurs. Banks should endeavour to expand their advertising functions in order to educate customers on their services which by now may not be knowledgeable to many Nigerians, most especially services in relation to lending schemes and also banks should ensure the ultimate viability of every enterprise, banks have to take over the reigns of the enterprises and play a constructive role in order to attain this feat.
INTRODUCTION
There is no doubt that our banks and other financial institutions occupy strategic positions in the operation of our economic system. The importance of these banks and other financial institutions are so encompassing that one may not imagine the working of the economic system without them. No wonder that government is always sensitive to the happenings in this important sector. In an economy such as ours, things have to be bought and paid for (e.g. an entrepreneur, buying raw materials from suppliers). Such transactions in modern times are usually done in many cases, through the bank credit transfer system because apart from the large amount of money that may be involved in the payment, there is also the need to consider the security of the money. It is for this reason that modern organizations (business and non-business alike) make use of banks and other financial institutions for many of their financial transactions. So, banks just act as intermediaries in many business transactions involving money.

Thus, in operating our economic system, banks and other financial institutions play many important roles which will be discussed in this paper. However, before going into that, it is necessary to understand the term ‘other financial institutions’. These are those other institutions, apart from the traditional banks, who perform finance related functions such as accepting money for saving, giving out loans, managing investments, giving financial advice such as use of funds and providing safety for investment etc. Thus, investment houses, insurance companies, financial houses and unit trusts etc. constitute the other financial institutions. These institutions and the banks in modern days, perform more or less similar functions, but in varying degrees of sophistication. This is particularly true in this era of universal banking – which gives a lee way to banks and other financial institutions to engage in any aspect of banking.

All these financial institutions and the banks in particular, are important to an entrepreneur, because he will have cause to deal with them for one reason or the other. For instance, he may want to expand his enterprise and for this he may need loans from the bank or he may need to invest in other areas in which case, he may need the services of a finance house or an investment house. Because of all these, the entrepreneur needs to have a knowledge of what these banks and other financial institutions can do for him to make his business grow.

STATEMENT OF THE PROBLEM
In the early 1960s the need of entrepreneurial development as an ingredient of economic development was realized (Mathur, 2008). This was considered essential as pointed by Mathur (2008) when he opined that it is necessary for motivating and assisting prospective and potential entrepreneurs to set up their own ventures to contribute in production, employment and tapping of unutilized resources. According to Nafukho (1998), “youth unemployment in Africa has reached alarming proportions”. Since most African countries gained political independence, there has been an increased population growth, rapid expansion of the education systems, high level of rural-urban migration, political conflicts and worsening economic performance (Ndegwa, 1985).

These factors have led to the problem of unemployment being rampant in Africa as a whole. Studies have revealed that, although industrial backwardness is due to infrastructural bottlenecks,
the real cause is non-availability of dynamic and skilled entrepreneurs who could mobilize and productively utilize the available resources. However, banks are the most important institutions among the agencies and institutions that share the responsibility of entrepreneurial development.

Banks generally, according to Arora (1992) have their wide-spread branch network to reach out to all categories of customers. In a country like Nigeria, entrepreneurs require financial input alongside with non-financial inputs like scientific and technical know-how in order to cope with the changing nature and dynamics of the society.

OBJECTIVES OF THE STUDY AND HYPOTHESES
The two main objectives of the study are:

i. To examine the extent to which banks and other financial institutions significantly help in providing loans to promote entrepreneurship development in South-South, Nigeria.

ii. To find out the extent to which banks and other financial institutions significantly help in providing advisory services to entrepreneurs in South-South, Nigeria.

To achieve the above objectives, two research hypotheses were formulated for the study as follows:

i. Banks and other financial institutions is significant in providing loans to promote entrepreneurship development in South-South, Nigeria.

ii. Banks and other financial institutions significantly contribute in providing a lot of advisory services to entrepreneurs in South-South, Nigeria.

LITERATURE REVIEW
The Role of Banks and Other Financial Institutions in Nigeria

i. Financing Roles
The working of the banking system is that the banks receive money from their customers for safe keeping. Monies kept with banks form the banks deposits. Since not all of these monies will be demanded by the customers at a time, there are usually surplus savings in the bank (i.e. deposits not required at present by depositors). Such surplus savings are usually lent out by the banks to individuals and organizations. As such, many banks provide funds for finance of business operations. Such funds are what is regarded as debt equity capital of a business i.e. part of the capital of a business that is got through borrowing. Thus, this debt equity capital given by banks to their customers, especially entrepreneurs, is an important financing role which the banks perform to help develop entrepreneurship of all types. A lot of entrepreneurs do often approach their banks to give them one kind of loan or the other, which the banks will be willing to oblige. The various methods by which banks can lend money to entrepreneurs include:

- **Overdraft**: A credit facility which allows a customer to draw more money from his account in the bank than what he has in his account. Such facility is usually extended to regular and reliable entrepreneurs with an interest calculated on a daily basis. An entrepreneur can use the facility to pay for current obligation e.g. salaries.

- **Short term loan facility**: Is also a credit facility granted to an entrepreneur for a short term duration such as three to six months or a year. This is usually effected by opening an
account (known as loan account) in the bank, to which the amount of loan given is debited (with the interest) and the current account of the beneficiary is credited. Any repayment of the loan is debited to the current account, and the corresponding credit entry made to the loan account. Such a loan may be obtained by an entrepreneur to buy an asset such as machines, equipment, raw materials etc. The revenue accruing from the use of the asset is then used to repay the loan.

- Medium and long term loans can also be given by banks. The medium term loan may be for a period such as one to two years, while that for long term period may take up to five or more years. By the nature of the bank deposits, many banks do not want to lend money on long term. But today, this is being encouraged in order to provide businesses with the necessary capital to operate, and adequate time is given to allow entrepreneurs use the money before repayment.

As a matter of fact, the idea of giving medium term loans, especially, has been encouraged by government in order to aid the development of small and medium scale industries. This has led to the floating of Small and Medium Scale Industries Equity Investment Schemes by the Bankers’ Committee in Nigeria. This idea requires banks to contribute 10% of their pretax profit to finance small and medium scale industries in Nigeria. The scheme was launched in August 2001. Another loan scheme with banks in Nigeria still package to help entrepreneurs is the new Share Purchase Loan Scheme. The scheme is the brainchild of the Bureau of Public Enterprises (BPE). It is designed to provide succor to willing Nigerians who want to participate in the privatization programme of the Federal Government of Nigeria, but who are indigent. Under the scheme, the BPE, with the approval of the National Council on Privatization (NCP), would sign a memorandum of understanding (MOU) with twenty-five banks in Nigeria. The banks would give cleans to those willing to buy shares in the privatized companies. The Federal Government is expected to contribute ₦4 billion and the banks would contribute ₦6 billion; making a total of ₦10 billion investment scheme. The responsibilities of the banks under the scheme include:

- Marketing and promotion of the scheme.
- Registration of participants in the scheme.
- Processing of application for loan.
- Disbursement of loans.
- Keeping of the share certificates of beneficiaries as collateral under the loan until the loan is repaid.

The period to repay the loan is fixed for between three and five years at an interest rate of 10% per annum. It must be noted that the lending of money to entrepreneurs is not only done by the banks, other financial institutions also do it. For example, the various insurance companies can also lend part of the premiums paid to them to entrepreneurs. The same is also true of finance houses.

Other financing roles carried out by the banks and other financial institutions include:

- Hire purchase
- Leasing
- Portfolio management
ii. Statutory Roles
From the beginning of the banking system in the London goldsmiths of the late seventeenth century up till today, banks have been known to perform certain traditional roles. These, the laws of each country have come to recognize. For example, any limited liability company that is to be incorporated as a bank in Nigeria must perform certain functions. These include:

a. Accepting deposits of money from customers and safeguarding the money. This is a legal role of any bank, which any other company, not registered as a bank, may not perform. Perhaps, it is this reason that made government to stop finance houses in mid 1980s from accepting deposits of money from their customers. Accepting of money by banks as deposits for saving has become a very significant role of banks today because of the great expansion of the economy and particularly because of the large amount of money being handled by each organization. By accepting to keep the money of customers, banks have brought more value to the money deposited in terms of earning interest. This role is even of more importance to the entrepreneur in that banks provide security for their money assets and also given them the opportunity to use their deposits to borrow more money from banks and other financial institutions. Thus, with banks playing this important role, they have become a very important organ of promoting entrepreneurial development.

b. Transfer of money from one account to another. By law, banks operate to allow money to be withdrawn from accounts kept with them. By this, money can be transferred from one account to the other or from one place to the other. Someone who buys materials from a supplier can use the bank to pay his supplier, through what is called credit transfer. This has made it possible to transfer large sums of money from one place to another. This has greatly helped trade and commerce in modern days. Because a large amount of money is usually involved in commerce today, it has become almost impossible to carry large sums of money about. This role is being carried out by banks through the use of cheques – a negotiable instrument drawn on a bank and payable on demand. The money transfer role is even more important in international business where in modern day transactions, many international businesses are conducted on credit, with payment being effected later. Thus, an entrepreneur who has imported raw materials, or a machine from another country may have to pay for the imported item through international money transfer. An example of this is the First Bank Nigeria Plc’s Western Union – a service in which money is transferred to any part of the world on behalf of the bank’s clients.

c. Payment on the instruction of a customer through standing Order. Another money transfer related role of banks is payment of a specified sum of money by one person to another through the bank. Onanuga and Oshinloye (1999) define standing order as ‘... a detailed instruction given by the customer to his banker, requiring him to make periodic payments of a specific amount at stated periods from the customer’s account to the account of a named beneficiary’. It is a common way of effecting payments such as insurance premiums, club subscriptions, school fees etc. It involves a customer giving an instruction to the bank to effect a payment. This is done by writing letter or filing a standing order form.
iii. Informational Roles

Banks and other financial institutions have, at their disposal a lot of information which they can offer to their clients. Such information may be needed in making one decision or the other in an organization. Among such informational roles are:

a. Giving information on current banking regulations to their customers – for example, in the aftermath of terrorists attacks in America on September 11, 2001, the Central Bank of Nigeria (CBN) gave certain guidelines to banks on opening of accounts. These guidelines are expected to be transmitted to the banks’ customers. In a similar vein, the various policies and laws of government meant to regulate the money market are usually transmitted to the populace, especially the banks’ customers, through the various banks. Thus, banks serve as an important channel of transmitting messages to the bank’s customers and the general public from government and other monetary authorities.

b. Providing credit information – by the nature of banks’ operations, it is quite possible for them to obtain credit information on various buyers and agents in many parts of the world. It is possible for an entrepreneur who wants to sell (export) his product/service to somebody overseas to obtain credit information from his bank(s). The bank will just request its overseas correspondent to inquire on the credit worthiness of the intending buyer or agent. This is an extremely important role, because selling to an unknown buyer, who may turn out to be an unreliable person, may easily spell doom for an entrepreneur. Therefore, the credit information to be provided by the bank is an important piece of information necessary to decide whether or not one should deal with a buyer or agent.

The Concepts of Entrepreneur and Entrepreneurship

The word “entrepreneur” stems from French and it literally means “between-taker” or “go-between” (Hisrich, 1986:114)). Although from this original meaning the concept has undergone different, though restrictive meaning over time, including actor and person in charge of large-scale production projects (in the Middle Ages), a person who bare risks of profit or loss by entering into a contractual arrangement with the government to perform a service or supply stipulated products in a fixed-price situation (17th century), a person who needed funds for his operations (18th century), a person who organizes and operates a business for his personal, and an innovator (19th and 20th century), today the concept is used in a much more inclusive sense and is generally associated with a person who does all the above and much more. Thus, an entrepreneur is one who has a “third eye”, that enables him or her to see opportunities that others cannot perceive, an innovator who creates something new (a product, a service, an idea, a business, etc) that is of value both to himself and to society, by obtaining and organizing the relevant factors of production (land, labour, capital, etc), one who devotes substantial time, efforts and other commitments to nurture that “something new” and make it functional or operational (as the case may be), one assumes a variety of risks (e.g. financial, emotional, psychological, social, etc) associated with his pursuit or enterprise and one who obtains the rewards of his efforts (including monetary rewards, personal independence, personal satisfaction, being one’s own boss, etc).

According to Meredith, Nelson and Neck (1996:120), entrepreneurs are people who have the ability to see and evaluate business opportunities, to gather the necessary resources to take
advantage of them, and to initiate appropriate action to ensure success. Thus entrepreneurs are the people that drive the development of an economy; they make things happen and without them nothing actually happens. Entrepreneurs are the drivers of economic, social, cultural, and political change, although they are most often commonly thought of in connection with the criterion of economic enterprises.

Paul (2008:25) stated that an entrepreneur can be said to be a person that is determined:

i. To operate alone in business;
ii. To be self employed instead of being in a paid job;
iii. To combine other factors of production;
iv. To take risk of loosing or succeeding in business;
v. To believe in himself and prefers to finance his business alone;
vi. To be creative and innovative; and
vii. To identify new business opportunities.

In view of the foregoing, an entrepreneur is a person who manages factors of production, a risk taker, an innovator who is motivated by the need for achievement, uses focus, devotion and commitment to attain his goal. An entrepreneur searches for different ways of doing things such as new methods, new markets, etc, therefore he is an instrument of change. In his view Drucker (1995:22) believes that the entrepreneur is one who always searches for change, respond to it and exploit it as an opportunity. It is the perception of the opportunity that has led to one of the traditional definitions of the entrepreneur as a creative, innovative and opportunity focused individual.

According to Timmons, Smollen and Dingee (2009:15) “entrepreneurship is the marshaling of people and resources to create, develop and implement solutions to problems to meet people’s needs:. Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks and receiving the resulting rewards of monetary and personal satisfaction and independence (Hisrich and Brush, 1995:111).

Odusina (2005:2) defines entrepreneurship as “the process of using available capital in any form, for business endeavours in an open and free market economy for the sole purpose of making profit and it includes all enterprises in new fields or in older ones at all risk levels. Entrepreneurship is a process of creating wealth by bringing together resources in new ways to start a venture that benefits customers and rewards its founders for their innovation. Entrepreneur possesses and is the prime-mover of industrial development.

Osuala (2004:112) quoting Nwokolo (1997:10) described entrepreneurship as “the ability to set up a business enterprise as different from being employed”. It refers to the acquisitions of skills, ideas and managerial abilities necessary for self-reliance or self-employment rather than being employed for pay.
The National Manpower Board and Nwabuonu (2005:10) defined entrepreneurship as “the ability to organize a business opportunity and mobilize both human and material resources to exploit the identified opportunity”.

The main function of entrepreneurship is to inculcate into an individual the creativity, enthusiasm, willingness and ability to seek investment opportunities, establish and run a business venture successfully applying required entrepreneurial skills. It involves all different kinds of activities that have to do with the establishment and operations of business enterprise. It also entails venturing into activities where others fear to engage in and the preparedness to take risks associated with a business enterprise.

**Importance of Entrepreneurship Development in Nigeria**

According to Adeyeye (2008:34), the importance of entrepreneurship development in Nigeria are as follows:

- Increased standard of living for both the owners of the business and the employees.
- Source of revenue to Government and its agencies. An entrepreneurs running small and medium enterprises, they pay one form of taxes or levies to the respective tiers of government.
- Serves as training centres. Various governments use small and medium scale enterprises as training centres for empowering the unemployed youths, as well as executing special government programmes and policies e.g. NDE, NDDC and NYSC agencies use the mentioned enterprises as tutelage grounds.
- Source of information for entrepreneurship development. Relevant agencies and Government secure vital information about entrepreneurship development and these guide the appropriate authorities in policy formulation.
- Poverty alleviation. In view of the fact that the entrepreneur is economically engaged, poverty will be reduced.
- Expansion of existing markets. In this regard, the products/services of entrepreneurs help to expand the existing markets, e.g. products from our local textile companies complement those that are imported even though they might be of less quality. Similarly, our local distillers produce assorted hot drinks and wines to complement the exotic ones. Finally, our local Adani and Ekpoma varieties of rice act as boost to the imported uncle bens rice and others.

**RESEARCH METHODOLOGY**

All the entrepreneurs in Nigeria constituted the population of the study. The number is somewhat infinite. Therefore, the researchers decide to limit the target population to selected entrepreneurs in South-South, Nigeria. A population of 2056 entrepreneurs in South-South, Nigeria was used for the study comprising of AkwaIbom State 398, Bayelsa 187, Cross Rivers State 285, Delta State 394, Edo State 289, and Rivers State 503. Total 2056. YaroYamane formula was used to determine the sample size of 335 entrepreneurs from the population of 2056 entrepreneurs which is given as follows.

\[
    n = \frac{N}{1 + \frac{N-1}{n}}
\]
\[
\frac{1 + N(e)^2}{n} = \frac{2056}{1 + 2056(0.05)^2} = \frac{2056}{1 + 0.25} = \frac{2056}{1.25} = 335 \text{ respondents}
\]

Three hundred and thirty five copies of questionnaire were distributed to the respondents and 288 copies were recovered giving a recovery rate of 85.9 percent. The simple random sampling method was used to select the respondents. The study was conducted using the survey research design. Survey research design according to Olaitan, Ali, Eyo and Sowande (2000) is a plan, strategy, structure that the investigator wants to adopt in order to obtain solution to research problems using questionnaire in collecting, analyzing and interpreting the data. The design is suitable for the study because it uses questionnaire to seek information from the respondents. The data used in this study were obtained from both primary and secondary sources of data. The instrument of primary data collected was the questionnaire and face-to-face interview. The instruments were validated by experts in banking and entrepreneurship to authenticate the relevance of the instrument. Secondary data were collected from textbooks and publications in banking and entrepreneurship.

Data were collected, collated and analyzed using percentages. In addition, the hypotheses formulated were tested using Kruskal Wallis one-way analysis of variance by rank and independent t-test statistics.

**FINDINGS AND DISCUSSIONS**

Hypothesis one (1) was tested using Kruskal Wallis one-way analysis of variance by rank.

Test statistic: Kruskal Wallis one-way analysis of variance by rank.

Degree of freedom = \( K - 1 = 2 - 1 = 1 \)

Table value \( X^2 = 0.05 = 3.841 \)

Level of significance = 0.05

Decision rule: Reject \( H_0 \) if \( H \) calculated > \( X_{tab} \)

**Sampling Distribution**

\[
H = \frac{12}{N(N + 1)} \sum_{j} \frac{R^2_j}{n_j} - 3 (N + 1)
\]

Where:\( k = \) Number of samples

\( n_j = \) Number of cases in \( j^{th} \) sample

\( N = \sum n_j, \) the number of cases in all samples combined

\( R_j = \) Sum of \( K \) of ranks in \( j^{th} \) sample (column)

\( \sum = \) Directs one to sum over the \( k \) samples (column)
Table 1:  Banks and other financial institutions and its contributions in providing loans to promote entrepreneurship development in South-South, Nigeria

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>85</td>
<td>29.5</td>
</tr>
<tr>
<td>Agree</td>
<td>89</td>
<td>30.9</td>
</tr>
<tr>
<td>Undecided</td>
<td>25</td>
<td>8.7</td>
</tr>
<tr>
<td>Disagree</td>
<td>48</td>
<td>16.7</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>41</td>
<td>14.2</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2015

Table 2:  Ranks of groups

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>7</td>
<td>2</td>
</tr>
</tbody>
</table>

Total  \( R_1 = 38 \)  \( 17 = R_2 \)

Source: Computation from Table 1

\[ R_1 = \text{Sum of 1}^{st} \text{column of rank} = 9 + 10 + 4 + 8 + 7 = 38 \]

\[ R_2 = \text{Sum of 2}^{nd} \text{column of rank} = 5 + 6 + 1 + 3 + 2 = 17 \]

\[ H = \frac{12}{N(N+1)} \sum_{j} \frac{R_j^2}{n_j} - 3(N+1) \]

\[ = \frac{12}{10(10+1)} \left( \frac{38^2}{5} + 17^2 \right) - 3(10 + 1) \]

\[ = 5.126 \]

Decision: Since the calculated value of 5.126 > \( X^2 \) tab 3.841, we reject the null hypothesis. This implies that banks and other financial institutions significantly contribute in providing loans to promote entrepreneurship development in South-South, Nigeria. This finding was supported by the view of Mathur (2008) who stated that banks and other financial institutions do give significant assistance to entrepreneurs requesting for loans to sustain their businesses.

Hypothesis 2 Testing

Test statistic: Independent t-test

Degree of freedom: \( N_1 + N_2 - 2 = 5 + 5 - 2 = 8 \)

Level of significance: \( \alpha = 0.05 \)

Decision rule: Reject \( H_0 \) if the calculated value of \( t \) is greater than the tabulated value of \( t \).
Table value: 1.860

**Sampling Distribution**

\[
\bar{X}_1 - \bar{X}_2 \approx \sqrt{\frac{(N_1 - 1) S_1^2 + (N_2 - 1) S_2^2}{N_1 + N_2}}
\]

Where:
- \( \bar{X}_1 \) = Mean of \( X_1 \)
- \( \bar{X}_2 \) = Mean of \( X_2 \)
- \( S_1^2 \) = Variance of \( X_1 \)
- \( S_2^2 \) = Variance of \( X_2 \)
- \( N_1 \) = Number of respondents in \( X_1 \)
- \( N_2 \) = Number of respondents in \( X_2 \)

**Computation of Table 3:** Responses on banks and other financial institutions in providing advisory services to entrepreneurs in South-South, Nigeria

<table>
<thead>
<tr>
<th>X_1</th>
<th>X_2</th>
<th>X_1 - X_2</th>
<th>(X_1 - X_1)^2</th>
<th>X_2 - X_2</th>
<th>(X_2 - X_2)^2</th>
</tr>
</thead>
<tbody>
<tr>
<td>94</td>
<td>32.6</td>
<td>-36</td>
<td>1296</td>
<td>-12.6</td>
<td>158.76</td>
</tr>
<tr>
<td>86</td>
<td>29.9</td>
<td>-28</td>
<td>784</td>
<td>-9.9</td>
<td>98.01</td>
</tr>
<tr>
<td>9</td>
<td>3.1</td>
<td>-49</td>
<td>2401</td>
<td>-16.9</td>
<td>285.61</td>
</tr>
<tr>
<td>51</td>
<td>17.7</td>
<td>-7</td>
<td>49</td>
<td>-2.3</td>
<td>5.29</td>
</tr>
<tr>
<td>48</td>
<td>16.7</td>
<td>-10</td>
<td>100</td>
<td>-3.31</td>
<td>10.89</td>
</tr>
<tr>
<td>288</td>
<td>100</td>
<td></td>
<td>4630</td>
<td></td>
<td>558.56</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2015

\[
\bar{X}_1 = \frac{98 + 86 + 9 + 51 + 48}{5} = \frac{288}{5} = 57.6 \approx 58
\]

\[
\bar{X}_2 = \frac{32.6 + 29.9 + 3.1 + 17.7 + 16.7}{5} = \frac{100}{5} = 20
\]

Variance \( X_1 \) \( S_1^2 = \frac{4630}{5} = 926 \)

Variance \( X_2 \) \( S_2^2 = \frac{558.56}{5} = 111.7 \)

\[
t = \sqrt{\frac{(5 - 1)(926) + (5 - 1)(111.7)}{58 - 20}} \cdot \frac{1}{\sqrt{\frac{1}{5} + \frac{1}{5}}}
\]

\[
t = \frac{38}{14.4} = 2.64
\]

Decision, since the calculated \( t \) value of 2.64 is greater than the tabulated \( t \) value of 1.860, we reject the null hypothesis, and accept the alternate hypothesis \( H_0 \). This implies that there is
significant relationship between banks and other financial institutions in providing a lot of advisory services to entrepreneurs in South-South, Nigeria. This is supported by the work of Onojafe (2006), who stated that banks and other financial institutions provide effective advisory services for the growth and survival of entrepreneurship development in Nigeria.

**Conclusion**
The study examined the impact of banks and other financial institutions in enhancing the growth of entrepreneurial development in South-South, Nigeria. The study revealed that banks and other financial institutions contribute positively and significantly in providing loans and rendering business advisory services for the growth of entrepreneurial development in South-South, Nigeria.

To conclude, banks and other financial institutions is imperative for the growth and survival of entrepreneurship in Nigeria.

**Recommendations**
In view of the findings and conclusion of the study, the following recommendations were proposed for effective banks and other financial institutions services for the growth of entrepreneurship in Nigeria.

1. The banks must ensure that the enterprises live above failure that may result from poor management despite the best intention of the entrepreneurs.
2. Banks should endeavour to expand their advertising functions in order to educate customers on their services which by now may not be knowledgeable to many Nigerians, most especially, services in relation to lending schemes.
3. Thus, to ensure the ultimate viability of every enterprise, banks have to take over the reigns of the enterprises and play a constructive role in order to attain this feat. The necessary infrastructure and skills needed to assist in improved quality of management in business enterprises and this will ultimately improve the quality of assists for banks.
4. With the introduction of variety of changes into the banking sector, it becomes pertinent that banks should keep a constant vigil over the enterprises being financed by them. The banks must ensure that funds are being properly utilized in business. This can be possible if a proper monitoring system on credit administration and utilization is established in the banks.

**REFERENCES**


