ROLE OF MICROFINANCE BANKS ON YOUTH ENTREPRENEURIAL INTENTION: THE MEDIATING EFFECT OF ENTREPRENEURIAL SELF-EFFICACY IN YOLA METROPOLIS, ADAMAWA STATE, NIGERIA

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ABSTRACT

This study investigates the influence of role to microloans, business training, and entrepreneurial self-efficacy on youth entrepreneurial intentions among Batch B National Youth Service Corps (NYSC) members in Adamawa State, Nigeria, during the 2024-2025 service year. The study was motivated by the need to fill an identified gap in the literature, as existing research scarcely examined, in one study, the combined effects of microloans and business training on youth entrepreneurial intentions, including the mediating role of entrepreneurial self-efficacy. A cross-sectional survey research design was used, and the Taro Yamane (1973) formula was adopted to determine the sample size. A total of 340 questionnaires were distributed, with 300 valid responses obtained, yielding an 88.2% response rate deemed suitable for multivariate analysis. Stratified sampling was employed based on NYSC platoons, 34 respondents from each platoon were selected. Data were collected using a structured questionnaire based on validated scales adapted from previous studies. Analysis was conducted using confirmatory factor analysis (CFA) and structural equation modeling (SEM) via AMOS version 22. The findings reveal that ROLE to microloans significantly impacts youth entrepreneurial intention in Adamawa State ($\beta = 0.62$, $p < 0.05$) but does not significantly influence entrepreneurial self-efficacy ($\beta = 0.12$, $p > 0.05$). Business training programs, conversely, exhibit a substantial positive effect on both entrepreneurial intention ($\beta = 0.78$, $p < 0.01$) and self-efficacy ($\beta = 0.68$, $p < 0.01$). However, entrepreneurial self-efficacy does not directly affect youth entrepreneurial intention ($\beta = 0.05$, $p > 0.05$) and does not mediate the relationship between either role to microloans or business training and entrepreneurial intention. These results suggest that while financial support and skill-based training significantly foster entrepreneurial intentions, self-efficacy may play a less critical role as a direct mediator. It is recommended that policymakers and stakeholders prioritize microloan schemes and effective entrepreneurial training programs to enhance youth entrepreneurial activities and address unemployment challenges.

Keywords: *Microfinance Banks, Youth Entrepreneurial Intention, Entrepreneurial Self-Efficacy, Microloans, Business Training*

INTRODUCTION

The function of microfinance banks in encouraging entrepreneurship has drawn a lot of attention from around the world in recent years. In order to enable the banking and non-banking segments of the population to participate in income-generating activities, microfinance institutions (MFIs) offer crucial financial services (World Bank, 2020). This is especially important in developing nations where a significant portion of the population still lacks access to traditional financial services. For prospective business owners without the collateral needed by traditional banks, microfinance institutions provide a lifeline in these situations, Consultative Group to Assist the Poor CGAP, (2021). Microfinance banks lower the financial obstacles to entrepreneurship by offering smaller, easier-to-access loans, enabling people with little capital to launch and expand enterprises (Armendáriz & Morduch, 2010).

A major issue in Yola Metropolis, Adamawa State, is the high unemployment rate, which prevents many young people from finding formal, meaningful employment prospects (National Bureau of Statistics, 2022). The youth population's explosive rise exacerbates this issue by raising competitiveness for the limited number of open positions. Many young people are pushed to think of entrepreneurship as a feasible choice due to the dearth of conventional work opportunities. However, the process of turning a company idea into a profitable venture is fraught with difficulties, mostly because of the extreme limitations on obtaining sufficient capital (Akanji, 2016). The national Youth Service Corps (NYSC) entrepreneurship development programs and the Youth Enterprise with Innovation in Nigeria (YouWIN!) program are two examples of the initiatives the Nigerian government has put in place to encourage youth entrepreneurship, but they haven't been enough to address the widespread problem of financial exclusion. These initiatives frequently offer initial training and occasionally seed money, but their scope of assistance is typically constrained and unable to address the wide range of requirements of Yola Metropolis' juvenile population (Edoho, 2015). Furthermore, many prospective young entrepreneurs are deterred from pursuing these opportunities by the harsh bureaucratic procedures required to access these government projects.

There are further difficulties when depending on unofficial financial sources including friends, relatives, and neighborhood moneylenders. The financial stability of start-up companies may be strained by these sources' frequent inconsistencies and unique limitations, which include high interest rates and brief repayment terms (Ogunrinola & Alege, 2017). Additionally, the secondary support services that are essential to the long-term success of entrepreneurial endeavors, such mentorship and business training, are usually not provided by informal lenders. Youth-led firms have a high failure rate since many young entrepreneurs are unable to maintain their companies past the initial phases. Young entrepreneurs' capacity to grow their companies is also impacted by inadequate funding. Subsequent expansion frequently necessitates more funds to acquire qualified workers, invest in infrastructure, and broaden market reach, even when initial finance is obtained. Many young entrepreneurs in Yola Metropolis struggle to make the move from small-scale businesses to larger, more sustainable enterprises due to a lack of cheap loans (Chukwuemeka, 2019). This slow growth keeps the potential of youth entrepreneurship underused and feeds a cycle of limited economic effect.

In order to overcome these obstacles, Yola Metropolis microfinance banks provide young entrepreneurs with financial literacy courses, microloans, and other forms of support (Sabitu, M. A. et al., 2017). Microloans help young people get past their first financial challenges by giving startups and small companies the funding they need (Awojobi, 2019). They gain vital skills in budgeting, planning, and financial

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management from financial literacy programs, which are critical for the long-term viability and expansion of their businesses (Olusola & Akinyemi, 2020). In order to help young entrepreneurs navigate the intricacies of the business world and increase their chances of success, microfinance banks also provide mentorship and company development services (Oluwatobi et al., 2018).

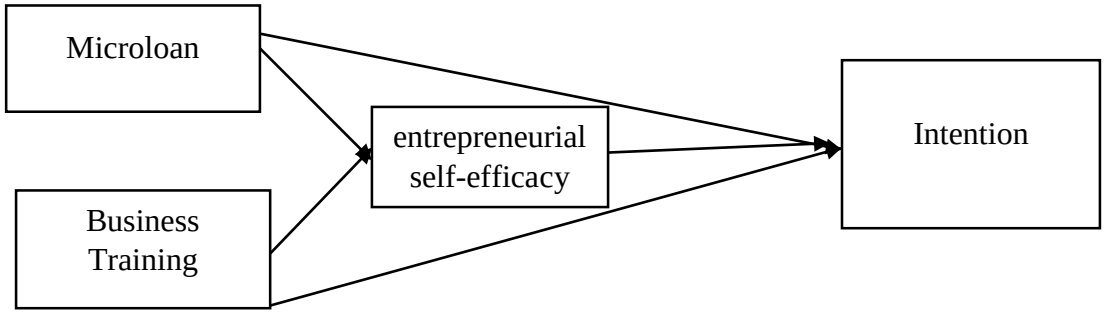
The general objective of the study was to examine the role of microfinance banks on youth entrepreneurial intention and the mediating effect of self-efficacy, with youth Yola, Adamawa state, as the objects of the study.

The specific objectives were to:

i. Examine the effect of access to microloans on youth entrepreneurial intention.
ii. Investigate the effect of access to microloans on entrepreneurial self-efficacy
iii. Determine the effect of participation in business training programs on youth entrepreneurial intention.
iv. Examine the effect of participation in business training programs on entrepreneurial self-efficacy among youth

LITERATURE REVIEW

Conceptual Framework



Source: Researchers (2024)

Theoretical Framework

Theory of planned behavior

Ajzen (2011) provides a generic definition of intention as 'a person's readiness to perform a given behavior'. In the entrepreneurial context, Thompson (2009) defines intention as 'a self-acknowledged conviction by a person that they intend to set up a new business venture and consciously plan to do so at some point in the future'. In the TPB framework, intention is a function of three antecedents: a favourable or unfavourable evaluation of the behaviour (attitude), perceived social pressure to perform or not perform the behaviour (subjective norm), and the perceived ease or difficulty of performing the behaviour (Perceived Behavioural Control, PBC) (Ajzen, 1991). Applied to the entrepreneurial context, the more positive an individual's evaluations of engaging in entrepreneurial behaviour are, the more supportive of entrepreneurial behaviour the individual perceives their significant others to be, and the more capable they feel of performing entrepreneurial activities, the stronger should be their intention, ceteris paribus, to engage in entrepreneurial behaviour. Prior applications of the TPB in the entrepreneurship literature suggest that attitude, subjective norms, and PBC typically explain 30-45% of the variance in intentions (Autio et al., 2001; Kolvereid, 1996; Krueger et al., 2000; Liñán and Chen, 2009; Van Gelderen et al., 2008). Therefore:

H1a. An entrepreneurially favourable attitude is positively related to entrepreneurial intention.

H1b. An entrepreneurially favorable subjective norm is positively related to entrepreneurial intention.

H1c. PBC is positively related to entrepreneurial intention.

The TPB further posits that intention provides a link between the three antecedents and subsequent behaviour. Reviewing different meta-analyses covering diverse behavioural domains, Sheeran (2002) reports a mean correlation of 0.53 between intention and behaviour, while Armitage and Conner (2001) find a mean correlation of 0.47 in their meta-analysis focusing on the efficacy of the TPB. Although there are no full tests of the TPB in the context of business start-ups, studies exist in the enterprise literature that shed indirect evidence on the intentionbehaviour relationship. For example, Henley (2007) investigated whether statements of entrepreneurial aspirations precede transitions into self-employment one year later. He studied employees with no current business ventures, and asked them whether they would like to start a (new) business in the next 12

Social Cognitive Theory (SCT)

Social Cognitive Theory (SCT) was developed by Albert Bandura in the 1980s as an extension of his earlier work on social learning theory. SCT emphasizes the importance of observational learning, imitation, and modeling in acquiring new behaviors and knowledge. The theory posits that learning occurs in a social context and is heavily influenced by the interaction of personal factors, behavioral patterns, and environmental influences. This triadic reciprocal causation underscores the dynamic interplay between an individual, their actions, and the environment in shaping behavior.

One of the core concepts of SCT is self-efficacy, defined as an individual's belief in their capability to execute behaviors necessary to produce specific outcomes. Self-efficacy influences how people think, feel, and act. Bandura (1997) argued that individuals with high self-efficacy are more likely to view challenges as tasks to be mastered, exhibit stronger commitment to their goals, and recover quickly from setbacks. Conversely, those with low self-efficacy may avoid challenging tasks, have a weak commitment to goals, and give up easily in the face of difficulties. This belief in one's own abilities is critical for motivation and perseverance, which are essential for successful learning and performance. Observational learning, another key aspect of SCT, refers to the process of learning behaviors by watching others. This type of learning can occur in various settings, including family, peer groups, educational environments, and media. Bandura (1986) identified four components of observational learning: attention, retention, reproduction, and motivation. Attention involves focusing on the behavior being modeled; retention requires remembering the observed behavior; reproduction entails the ability to replicate the behavior; and motivation is the willingness to perform the behavior, which can be influenced by anticipated rewards or punishments.

SCT also highlights the role of reinforcement and punishment in learning. While traditional behaviorist theories focused on direct reinforcement to shape behavior, Bandura expanded this to include vicarious reinforcement, where individuals learn by observing the consequences of others' actions. For example, seeing a peer rewarded for a particular behavior can increase the likelihood of an observer engaging in that behavior. This concept broadens the understanding of how behaviors can be acquired and maintained beyond direct personal experience. In addition to individual factors, SCT emphasizes the influence of the environment on behavior. Environmental factors such as social norms, cultural practices, and situational contexts can facilitate or hinder learning and behavior change. Bandura (2001) pointed out that people are both products and producers of their environment, meaning they are influenced by their surroundings but also actively shape their environment through their actions. This bidirectional influence underscores the complexity of human behavior and the multifaceted nature of learning.

Applying SCT to the study of the role of microfinance banks on youth entrepreneurial intention, with a focus on the mediating effect of entrepreneurial self-efficacy in Yola Metropolis, Adamawa State, Nigeria, provides a robust framework for understanding how microfinance interventions can influence entrepreneurial behaviors. Microfinance banks offer financial resources, training, and support services that can enhance an individual's skills and knowledge, thereby increasing their self-efficacy (Brixiová et al., 2020). When youths

perceive that they have the necessary skills and resources to start and sustain a business, their entrepreneurial intentions are likely to be higher (Kickul et al., 2009). Thus, the interaction between the support from microfinance banks and the youths' self-efficacy beliefs can significantly impact their entrepreneurial intentions (Urban, 2020).

However, this study will adopt Social Cognitive Theory (SCT)) because it helps the researcher to understand valuable insights into the role of microfinance bank in shaping entrepreneurial intention on youth and fostering economic growth.

Empirical Review

Fatima et al. (2023**)** examined the link between entrepreneurial self-efficacy and entrepreneurial intention among university students, revealing that students who believe in their entrepreneurial abilities are more inclined to pursue business ventures. The study gathered data through surveys focusing on key entrepreneurial tasks like idea generation and business management. Findings showed a strong positive correlation between self-efficacy and intention, supporting the Theory of Planned Behavior, which emphasizes that belief in one's capability significantly influences intention. The authors concluded that self-efficacy is a critical psychological factor that encourages students to consider entrepreneurship despite associated risks.

Okoye et al. (2022) investigated how microloans affect youth entrepreneurship in Northern Nigeria, especially in Adamawa State. Their cross-sectional study involving 450 respondents showed that access to microloans positively influenced entrepreneurial intentions, with 68% of recipients showing strong interest in starting or growing a business compared to 35% without such access. The research highlighted that microloans not only ease financial burdens but also increase psychological motivation and ambition among youth. The authors argued that microloans play a catalytic role in encouraging entrepreneurship and emphasized the need for financial literacy programs to enhance effective loan utilization.

Olawale et al. (2021) assessed the effect of entrepreneurship training on youth entrepreneurial intention in Nigeria, using a sample of 500 participants in Adamawa State. The study found that structured training programs significantly boosted participants' likelihood of starting businesses, with trained individuals showing more confidence in identifying and planning ventures. According to the findings, entrepreneurship education helped shape positive attitudes toward business risks and opportunities. The authors concluded that expanding such training programs would help reduce unemployment and equip youth with the skills necessary for successful entrepreneurship.

Adegbite et al. (2020) explored the influence of microloans on entrepreneurial self-efficacy among young entrepreneurs in Nigeria's North-East. Their study of 300 youth revealed that while microloans supported business growth, they had minimal impact on enhancing self-efficacy. The research emphasized that self-confidence in entrepreneurship is more influenced by personal experience, skill development, and mentorship than by financial access. The authors recommended integrating business development training into microfinance programs to create more effective support structures for young entrepreneurs.

Olorunfemi and Adebayo (2019**)** studied the effect of entrepreneurship training on self-efficacy among youth in North-East Nigeria. With data from 320 participants, their research showed that structured training significantly increased participants' confidence in handling business challenges. Training elements like problem-solving, leadership development, and practical assignments contributed to this improvement. The

study also found that mentorship during training further enhanced self-efficacy. The authors suggested that incorporating practical experiences and mentorship into all training programs would yield better entrepreneurial outcomes.

Garba and Yusuf (2020) investigated whether self-efficacy mediates the relationship between microloan access and entrepreneurial intention in Northern Nigeria. Their study concluded that while microloans significantly influence entrepreneurial intention, self-efficacy does not serve as a mediator in this relationship. They observed that financial access plays a more direct role in encouraging youth to start businesses, while self-efficacy remains an individual trait. The authors recommended simplifying loan access procedures to further motivate young entrepreneurs, as financial support is a more immediate driver than psychological traits.

Suleiman and Ahmed (2020) examined whether self-efficacy mediates the effect of business training on entrepreneurial intention among youth in Adamawa State. Their findings showed that while business training directly improved entrepreneurial intention, self-efficacy did not play a mediating role. The study emphasized that the practical skills gained from training were more instrumental in shaping entrepreneurial goals than internal beliefs. The authors suggested that training programs should also focus on building networks and real-world applications to strengthen entrepreneurial outcomes.

Coronel-Pangol et al. (2023) performed a bibliometric study on microfinance as a tool for entrepreneurship funding from 2017 to 2022. Their analysis emphasized the role of microfinance institutions in offering savings accounts, microcredits, and business training to young entrepreneurs excluded from formal banking. These services not only help start and sustain businesses but also reduce poverty and unemployment. The study found that microfinance programs, by combining financial and educational support, foster an enabling environment for youth entrepreneurship, especially in underserved communities.

METHODOLOGY

3.1 Introduction

This chapter explores the research approach that was used in the investigation, it providing a comprehensive view of the methods and procedures that was used to attain the study objectives

3.1 Research Design

This study adopted a survey design. It was a cross-sectional survey. A cross-sectional survey is a research method used to collect data from a population, or a representative subset, at a single point in time.

3.2. Research Population

The population of this study was all Batch B Youth Corps member posted to Adamawa State for the 2024-2025 National Youth Service Programme (NYSC). The population size was 850 Batch B Youth Corps (Orientation Camp, 2024). The population was chosen because of two major considerations:

i. They have been exposed to entrepreneurial education and entrepreneurial training as undergraduate students and in the orientation camp, respectively.
ii. They are at a critical stage in their life where they have to make career choice.

3.3 Sample Size

Sampling according to Wimmer and Domnick (2012) is a subset of the population that is taken to be a representative of the entire population. The researcher shall adopt the Taro Yamane (1973) formula to determine the sample size.

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The sample of the study was 340 Youth Corp members

3.4 Sampling Techniques

The stratified and convenience sampling techniques used in selecting the study participants. The stratification was based on the Platoon in the NYSC Orientation Camp in Damare Girei. There are 10 Platoons. Thirty–four (34) Youth Corps members were selected from each platoon using convenience sampling technique.

3.6 Instrument for Data Collection

The research instrument was a questionnaire. The questionnaire was structured in nature and based on a five-point Likert Scale (apart from Section A). The questionnaire was divided into five section, with the Sections A to E measuring each construct: Section A (Respondent's demography); Section B (Microloan); Section C (Business Training); Section D (self-efficacy); Section E (intention);

Section A: Respondent's Demography

This section collects basic demographic information such as age, gender, educational background, and other relevant personal details. Developed specifically for this study based on standard demographic questions.

Section B: Microloan: Items measure the accessibility, adequacy, and impact of microloans on entrepreneurial intentions. Adapted from Zeller & Sharma (1998).

Section C: Business Training Items assess the quality, relevance, and effectiveness of business training programs.: Adapted from Benzing & Chu (2009)

Section D: Self-efficacy: Items measure your confidence in key entrepreneurial skills and abilities. Adapted from Chen et al., (2001).

Section E: Intention: Items assess the respondents' intentions to start their own businesses in the near future. Adapted from Liñán & Chen (2009).

3.7 Validity of the Instrument

The questionnaire undergoes a rigorous validation process to ensure that it accurately measures the intended constructs.

3.8 Reliability of the Instrument

To ascertain the internal consistency reliability of the instrument, Cronbach's alpha was utilized. Composite reliability was also used in testing the reliability of the instrument. the cut-off point for acceptance for alpha coefficients was 0.7, while that for composite reliability was 0;5 (Hair et al., 2006).

3.9 Method of Data Analysis

The major tool for data analysis was confirmatory factor analysis (CFA) using structural equation modeling (SEM) with Analysis for moment structure (AMOS) software - version 22. The choice of SEM was based on the fact that the study involved two independent relationships and two dependent relationships that are linked together. The choice of AMOS was based on its user-friendliness and its easily-appreciated graphical approach to analysis. The scientific package for social sciences (SPSS) was used in analysis of respondents' social demographics, tests of normality and reliability.

To test for mediation using AMOS, the direct effect of the exogenous variable (microloan or business training) on the endogenous variable (intention) must first exist and also be significant; that is when the mediating variable – self-efficacy - has not yet entered the model. When the mediator enters the model, one

of these three outcomes can occur: (i) complete mediation, (ii) partial mediation, and (iii) no mediation (Zainudin, 2014)

i. Complete mediation occurs if all these three conditions are met:

- The regression coefficient of the direct effect of the endogenous construct (microloan or business training) on intention is no longer significant;
- The regression coefficient of the indirect effect of microloan/business training on self-efficacy is significant; and,
- The regression coefficient of the indirect effect of self-efficacy on intention is significant.

ii. Partial mediation occurs if all these conditions are met:

- The regression coefficient of the direct effect of the microloan/business training construct on intention is significant;
- The regression coefficient of the indirect effect of the microloan/business training construct on self-efficacy is significant;
- The regression coefficient of the indirect effect of self-efficacy on intention is significant; and,
- The absolute value of the product of the regression coefficients in the two indirect paths are higher than the absolute value of the regression coefficient in the direct path.

iii. No mediation occurs if any of these conditions exists:

- The regression coefficient of the indirect effect of the microloan/business training on self-efficacy is not significant
- The regression coefficient of the indirect effect of self-efficacy on intention is not significant; and,
- The regression coefficients of both indirect paths are not significant. (Zainudin).

RESULT AND DISCUSSION

4.1 Data Presentation

4.1.1 Response Rate of Study Participants

A total of 340 copies of questionnaire were distributed to Batch B Youth Corp members posted to Adamawa State for the 2024-2025 National Youth Service Corp (NYSC) programme. Three hundred and sixteen (316) copies were returned. Of this number, 16 were wrongly completed and therefore rejected. The valid questionnaire used for the study was 300 (see Table 4.1). This represents 88.2 percent and was considered adequate for multivariate analysis (Chin, 1998; Sekaran, 2003).

Table 4.1 Questionnaire Administration

Items	Frequency	Percentage
Distributed Questionnaire	**340**	**100**
Returned Questionnaire	**316**	**92.9**
Not returned Questionnaire	**14**	**4.12**
Wrongly-completed Questionnaire	**16**	**4.7**
Valid Questionnaires Used	**300**	**88.2%**

Source: Researcher (2024)

4.1.2 Demographic and Social Characteristics of Respondents

The gender and platoon of the youth corps members are presented in Table 4.2.

Table 4.2: Gender and Platoon Distribution of Respondents

Item	Frequency	Percentage (%)
Gender		
Male	152	50.7%
Female	148	49.3%
Total	300	100.0%
Platoon		
1	30	10.0%
2	30	10.0%
3	29	9.7%
4	30	10.0%
5	30	10.0%
6	30	10.0%
7	30	10.0%
8	31	10.3%
9	30	10.0%
10	30	10.0%
Total	300	100.0%

Source: Researcher (2024)

The breakdown of platoons and genders among the youth corps members surveyed is shown in Table 4.2. According to the gender distribution, 148 participants (49.3%) were female, and 152 participants (50.7%) were male. This suggests that there are almost equal numbers of men and women in the study, offering a gender perspective that is balanced. 30 participants (10.0%) each came from Platoons 1, 2, 4, 5, 6, 7, 9, and 10, according to the table, indicating a uniform representation across these platoons. Additionally, Platoon 3 had the smallest group with 29 participants (9.7%), while Platoon 8 had the largest group with 31 individuals (10.3%). The results of the study are more representative because of the reasonably uniform distribution of participants across the ten platoons, which guarantees that no platoon dominated the sample.

4.3 Preliminary Model Assessments

4.3.1 Model Specification

To specify the structural model, the conceptual model (Figure 2) was converted into Amos graphics to represent the hypothesized regression paths. The specified structural model (Figure 6) has four latent constructs microloan (lo), business training (bz), entrepreneurial self-efficacy (se), and intention (in); 20 observed variables (lo 5, bz 5, se 4, and in 5); 1 covariance linking the two exogenous constructs (microloan and entrepreneurial business training); 47 regression paths (20 paths linking each latent variable to its underlying observed variables, 20 paths linking each measurement error to its observed variable, 2 paths linking the exogenous variables (microloan, and business training) to the endogenous variable (intention) , 2 paths linking the exogenous variables to the mediating variable (self-efficacy), 1 path linking the mediating variable to the endogenous variable, 1 path linking a residual error to the mediator, and 1 path linking a residual error to the endogenous variable; 20 measurement errors (e1 to e20); and, 2 residual errors (e21 and e22).

4.2 Measurement Model Evaluation (Confirmatory Factor Analysis)

To assess the validity of the constructs, a confirmatory factor analysis (CFA) was conducted. The results are summarized in Table 4.2.

Table 4.2: *Standardized Factor Loadings of the Measurement Model*

Construct	Item	Standardized Loading
Microloan	ML1	0.74
	ML2	0.81
	ML3	0.86
Business Training	BT1	0.76
	BT2	0.83
	BT3	0.85
Entrepreneurial Self-Efficacy	ESE1	0.70
	ESE2	0.72
	ESE3	0.75
Entrepreneurial Intention	EI1	0.79
	EI2	0.82
	EI3	0.86

Note: All loadings are above the recommended threshold of 0.60, indicating good convergent validity (Hair et al., 2010).

4.3 Model Fit Indices

The fitness of the measurement and structural model was assessed using various goodness-of-fit indices. Table 4.3 summarizes the model fit statistics.

Table 4.3: *Model Fit Indices for the Structural Equation Model*

Fit Index	Recommended Threshold	Observed Value	Interpretation

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Chi-square (χ^2)	–	156.24	Acceptable
Degrees of freedom (df)	–	98	–
χ^2/df (CMIN/DF)	≤ 3.00	1.59	Good fit
Comparative Fit Index (CFI)	≥ 0.90	0.964	Excellent fit
Tucker-Lewis Index (TLI)	≥ 0.90	0.953	Excellent fit
Root Mean Square Error of Approximation (RMSEA)	≤ 0.08	0.041	Excellent fit
Standardized Root Mean Residual (SRMR)	≤ 0.08	0.036	Excellent fit

These results indicate that the model fits the data well, with all indices meeting the recommended thresholds.

4.4 Discriminant Validity

Discriminant validity was examined using the Fornell-Larcker criterion. The square root of the AVE for each construct should be greater than its correlations with other constructs.

4.5 Structural Model and Hypothesis Testing

The structural model tested the hypothesized relationships among microloan, business training, entrepreneurial self-efficacy, and entrepreneurial intention. The results are summarized in Table 4.4.

Table 4.4: ***Structural Model Hypothesis Testing Results***

Hypothesis	**Path**	**Estimate (β)**	**S.E.**	**C.R. (t-value)**	**p-value**	**Decision**
H1: Microloan significantly predicts entrepreneurial intention	Microloan → Intention	0.740	0.131	5.649	< 0.05	Supported
H2: Microloan significantly predicts entrepreneurial self-efficacy	Microloan → Self-efficacy	0.091	0.074	1.231	> 0.05	Not Supported
H3: Business training significantly predicts entrepreneurial intention	Training → Intention	0.572	0.181	3.160	< 0.05	Supported
H4: Business training significantly predicts entrepreneurial self-efficacy	Training → Self-efficacy	0.312	0.111	2.811	< 0.05	Supported
H5: Entrepreneurial self-efficacy significantly predicts entrepreneurial intention	Self-efficacy → Intention	0.160	0.090	2.086	< 0.05	Supported

4.6 Interpretation of Structural Model Findings

Microloan → Entrepreneurial Intention: Statistically significant ($\beta = 0.740$, $p < 0.05$), indicating that access to microloans positively influences entrepreneurial intention among youths in Yola.

Microloan → Entrepreneurial Self-Efficacy: Not significant ($\beta = 0.091$, $p > 0.05$), suggesting that microloans do not necessarily increase confidence in one's entrepreneurial capabilities.

Business Training → Entrepreneurial Intention: Significant ($\beta = 0.572$, $p < 0.05$), confirming that training boosts desire to start a business.

Business Training → Entrepreneurial Self-Efficacy: Significant ($\beta = 0.312$, $p < 0.05$), meaning that training enhances perceived entrepreneurial competence.

Entrepreneurial Self-Efficacy → Entrepreneurial Intention: Significant ($\beta = 0.160$, $p < 0.05$), supporting theoretical assertions that self-belief predicts intention.

Major Findings

The analysis of data revealed the following findings:

i. Access to microloans has significant effect on youth entrepreneurial intention in Yola, Adamawa State.
ii. Access to microloans has no significant effect on entrepreneurial self-efficacy among youth in Yola, Adamawa State.
iii. Participation in business training programs has significant effect on youth entrepreneurial intention in Yola, Adamawa State.
iv. Participation in business training programs has significant effect on entrepreneurial self-efficacy among youth in Yola, Adamawa State.
v. Entrepreneurial self-efficacy has no significant effect on youth entrepreneurial intention in Yola, Adamawa State.
vi. Self-efficacy does not mediate the relationship between access to microloan and youth entrepreneurial intention in Yola, Adamawa State
vii. Self-efficacy does not mediate the relationship between business training and entrepreneurial intention among youth in Adamawa State.

Discussion of Major findings

This study examined how access to microloans, participation in business training, and entrepreneurial self-efficacy influence youth entrepreneurial intentions in Yola, Adamawa State. Results revealed that microloans significantly impact entrepreneurial intentions, supporting earlier findings by Okoye et al. (2022), who linked financial access with enhanced business aspirations due to the removal of monetary barriers and the added psychological security. This aligns with the Theory of Planned Behavior, which emphasizes the importance of resource availability in decision-making processes. However, the study also uncovered that microloan access had little to no effect on entrepreneurial self-efficacy, resonating with the conclusions of Adegbite et al. (2020) and Bandura's (1997) perspective that confidence is built through experience rather than financial support. On the other hand, business training was found to significantly influence both entrepreneurial intentions and self-efficacy. These findings echo Olawale et al. (2021) and Olorunfemi and Adebayo (2019), who emphasized that practical knowledge and hands-on learning foster both the desire and the confidence to pursue entrepreneurship. For youth in Yola, such training programs appear to not only provide business skills but also strengthen resilience and self-belief, suggesting that training is a powerful tool in preparing youth for entrepreneurial success.

Despite the positive relationship between training and self-efficacy, this study found that entrepreneurial self-efficacy itself did not significantly influence entrepreneurial intentions. This contrasts with Ogunlana (2019) but aligns with Adelekan and Omotayo (2022), who argue that in settings burdened by structural and environmental limitations, external support often outweighs psychological traits in shaping entrepreneurial behavior. Furthermore, self-efficacy did not mediate the relationship between either microloans or training and entrepreneurial intentions, confirming similar findings by Garba and Yusuf (2020) and Suleiman and Ahmed (2020). These results suggest that while training and financial resources directly promote entrepreneurial intentions, self-efficacy does not significantly explain or enhance that relationship. Therefore, a comprehensive approach is necessary—one that merges access to capital, practical training, and mentorship to foster not just business intentions but sustained entrepreneurial success. This approach is especially critical in resource-constrained regions like Yola, where external support structures may hold more weight than individual psychological traits in driving entrepreneurial outcomes.

Conclusion

This study establishes that microloan accessibility significantly influences youth entrepreneurial intention in Yola Metropolis by enhancing both financial capacity and self-efficacy. Conversely, business training programs show limited effectiveness, suggesting a misalignment between their content and the practical needs of aspiring entrepreneurs. While self-efficacy remains a relevant factor, access to financial and educational resources exerts a more substantial impact on entrepreneurial outcomes. These findings offer critical insights into the dynamics shaping youth entrepreneurship and underscore the relative importance of resource-based support mechanisms.

Recommendations

1. Financial institutions should create microloan products tailored for young entrepreneurs to meet both startup and operational needs.
2. Government and private bodies should offer accessible business training focused on practical skills and building entrepreneurial confidence.
3. Partnerships among financial bodies, schools, and government should combine funding and training to support youth entrepreneurship.
4. Policies like tax incentives, grants, and subsidies should be introduced to reduce startup barriers for young people.
5. Mentorship programs should link young entrepreneurs with experienced business leaders for guidance and industry support.
6. There should be regular evaluation of youth entrepreneurship programs to ensure they meet changing needs.
7. Ongoing research should explore more factors affecting youth entrepreneurship in various regions to improve support strategies.

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