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Dimensions of Entrepreneurial Financing and Performance of Woodwork Businesses in Kogi East, Kogi State, Nigeria.

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Abstract
Woodwork Enterprises are the main reasons why homes and offices are beautifully decorated and admired in this modern world. This study seeks dimensions of Entrepreneurial Financing and performance of Microfinance woodwork enterprises in Kogi East, Kogi State. The study adopted a survey research approach, using questionnaire administration for data generation and analysis. The data were analyzed using descriptive and inferential statistics. statistical package for social science, version 26.0 was used for test of hypothesis in Kogi East, Kogi State Nigeria. The findings show that dimensions of Entrepreneurial Financing in woodwork enterprises are catalysts for performance of the enterprises. It is concluded that Entrepreneurial Financing has positive and significant effect on performance of Woodwork Enterprises in Kogi East, Kogi State. It is recommended that there is a need to increase Bootstrapping order to increase customer base, increase the extent of Government financing as well as improve the Equity Financing. Besides, it is necessary to consider some individual characteristics that might moderate the effects of the dimensions of entrepreneurship financing on growth of Microfinance Banks

Keywords: Entrepreneurship Financing; Crowd-funding; Venture Capital, Debit financing Microfinance Banks, Growth

1. Introduction

Performance of woodwork enterprises is dependent on the way in which activities of such firms are carried out. Many of these woodwork enterprises become developed and grow at higher level through increase in profit level, sales growth, market share, customer acquisition, competitiveness, customer satisfaction, customer retention and customer loyalty as well as market expansion. These woodwork enterprises such as furniture, carpentry, upholstery and joinery. Woodwork enterprises need to understand why the practice of entrepreneurial finance is necessary. The emergence of woodwork enterprises had really necessitated the performance of several businesses in the global world. In today's global economy, entrepreneurial finance has emerged as a critical driver of performance of businesses, particularly as businesses face unprecedented challenges and opportunities. Entrepreneurs often find themselves at the crossroads of performance, requiring substantial financial resources to bring their groundbreaking ideas to market. However, access to adequate financing remains a weighty barrier, particularly in an atmosphere where woodwork enterprise may be reluctant to fund high-risk ventures (Robb & Robinson, 2024). The increasing complexity of global markets, coupled with the rapid pace of technological change, exacerbates these challenges, making the role of entrepreneurial finance more dynamic than ever. Adequate entrepreneurial finance provides the necessary capital and catalysts for enterprise performance by enabling businesses to scale rapidly and compete globally (Bonini & Capizzi, 2025). The evolving nature of markets has intensified the need for entrepreneurial bootstrapping, government financing as well as trade credit financing strategies that are flexible and responsive to the irreplaceable needs of entrepreneurs. The idea of the ways in which finances are pulled together by woodwork enterprises and how their debts are always serviced encourage an entrepreneur in taking quality decisions. Frimanslund *et al*., (2023) explored how access to finance is vital to entrepreneurial ecosystems, providing the necessary capital to drive enterprises performance. Compensation theory of profits was adopted as a result of the essentials of this theory to the study.

Previous studies predominantly focused on high-tech industries this study will explore the impact of various alternative entrepreneurial financing mechanisms, such as debt financing and crowd-funding, on growth of microfinance banks in Kogi East but this study intends to consider Entrepreneurial bootstrapping, Government financing as well as Trade credit The novelty of this study lies in its all-inclusive methods which integrates the survey of related factors such as regulatory environment, cultural attitudes, and market conditions and the analysis of entrepreneurial finance. By considering these variables, the study aims to provide a more nuanced understanding of how different forms of financing interact with external conditions to promote or hinder performance.

2. Literature Review

2.1 Conceptual Review

2. 2. 1 Concepts of Entrepreneurial Finance

Entrepreneurial finance focuses on the financial aspects of starting and growing new ventures. It involves securing funding, managing financial resources and making strategic financial decisions to maximize a company's value and achieve its goals. Entrepreneurs face diverse

financial options when seeking to fund their ventures, ranging from traditional sources like bank loans and personal savings to contemporary avenues such as venture capital, angel investment, and crowdfunding (Ermawati, 2024). Traditional financing methods, such as bank loans, offer stability and familiarity but often have stringent requirements, including collateral and strict repayment terms (Wang & Yang, 2016). In contrast, contemporary forms of financing, like venture capital, provide access to substantial funds and potential strategic guidance but also come with trade-offs, including equity dilution and the loss of some control over strategic decisions (Cumming & Johan, 2019). Venture capital is beautiful for startups looking to scale quickly, as it injects significant capital in exchange for equity ownership. This funding can drive rapid growth, but it also comes with pressures to meet aggressive targets, potentially prioritizing short-term gains over long-term sustainability (Gompers *et al*., 2020). Angel investors offer early-stage ventures financial support and industry expertise, helping them navigate the initial growth phases. However, this involvement can lead to ownership dilution and potential conflicts of interest (Saona *et al*., 2020). Conversely, crowdfunding democratizes access to capital by allowing entrepreneurs to raise funds from a large pool of individual investors. Success on crowdfunding platforms often depends on effective marketing and community engagement, making it a viable option for entrepreneurs who can galvanize public support (Zeco et al., 2014).

The financing choice significantly influences entrepreneurial decision-making and shapes the trajectory of startups. Research shows that startups backed by venture capital tend to grow faster and achieve higher valuations than those relying on bootstrapping (Gornall & Strebulaev, 2022). However, the influx of venture capital brings the expectation of rapid growth, which can create tension between immediate profitability and long-term sustainability. In contrast, bootstrapped startups retain greater autonomy and control over their operations but may need more resources to scale (Eriksson et al., 2024). Angel investment provides a middle ground, offering financial support and mentorship while allowing founders to retain a degree of control over strategic decisions (Schmidt et al., 2018). The accessibility of these various forms of finance varies based on factors such as industry sector, geographic location, and the stage of venture development. Startups in technology-intensive industries, for example, are more likely to attract venture capital due to their high growth potential and scalability (Stayton & Mangematin, 2019). Additionally, startups in innovation hubs like Silicon Valley benefit from a dense network of investors, mentors, and industry peers, facilitating access to capital and talent (Fuerlinger & Garzik, 2022). However, entrepreneurs in less-developed regions or niche markets often need help securing external funding, leading them to rely on personal savings or informal networks for financial support (Audretsch et al., 2019). Addressing these disparities in access to finance requires coordinated efforts from policymakers, investors, and ecosystem enablers. Creating inclusive financing mechanisms and support structures for underserved entrepreneurs is crucial for bridging the gap and ensuring that all entrepreneurs have the opportunity to realize their potential (Cumming *et al*., 2021). The entrepreneurial finance landscape is complex and multifaceted, with each funding option presenting its own advantages and challenges. Entrepreneurs must navigate this landscape carefully, aligning their financial strategies with their business goals to manage their capital needs effectively and mitigate the risks associated with external funding (Simanjuntak, 2024). As entrepreneurs continue to explore various financing

options, understanding the nuances of each and leveraging supportive ecosystems will be essential for positioning their ventures for growth and innovation. Fostering collaboration among stakeholders and promoting financial inclusion will be vital in building robust and resilient entrepreneurial ecosystems that empower entrepreneurs to drive positive societal change.

2.2.2 Entrepreneurial Bootstrapping

This is a platform that allows entrepreneurs to raise capital from personal savings of an entrepreneur, entrepreneur's personal savings, retained business earnings effectively reinvestment of profits from a specific business, delayed payment to suppliers which bring products and circumventing traditional financial gatekeepers (Ahlers *et al*., 2015).

Ofir & Tzang, (2022). Additionally, digital banking solutions provide greater convenience and accessibility, enabling entrepreneurs to develop personal habits, manage their finances, reinvest their earnings and profits, access credit, and conduct transactions more efficiently (Lottu *et al*., 2023). These woodwork enterprises enabled solutions have leveled the playing field for entrepreneurs, particularly those facing systemic barriers in making their offices and environment look attracting, colorful and beautiful to customers who pull more funds and also engage in traditional financing. By leveraging technology, entrepreneurs can tap into a broader range of funding sources, regardless of their geographic location or socioeconomic background, also, many of these woodwork enterprises take businesses closer to entrepreneurs at their door spots and ensure their needs are met. Woodwork enterprises have also promoted greater financial inclusion by providing underserved communities access to affordable and transparent financial services, empowering new entrepreneurs to pursue their business aspirations and contribute to economic growth (Makina, 2019). This is as a result of different large firms coming to purchase luxury chairs, decorations and office accessories needed by the large firms to set up their businesses, when this is done, they will be able to create a financial institution in that environment that brings about financial inclusions. However, despite the potential of woodwork enterprises to allow customers have access to finance to financial institution being located and established in the environment, challenges remain in ensuring equitable distribution and widespread adoption. Digital literacy, regulatory compliance, and cyber security are significant obstacles, particularly for marginalized communities with limited access to technology and education (Choudhary & Bansal, 2022). Data privacy and consumer protection concerns also highlight the need for robust regulatory frameworks to safeguard users' interests and build trust in woodwork enterprises platforms (Aldboush & Ferdous, 2023).

2.2.3 Government Financing

Government financing refers to the financial assistance provided by government institutions to entrepreneurs and small and medium-sized enterprises (SMEs) through grants, subsidised loans, credit guarantees, intervention funds and other funding programmes. It is an important dimension of entrepreneurial financing because many new and growing enterprises experience difficulties obtaining sufficient funds from conventional financial institutions. Government financing therefore helps entrepreneurs obtain the capital required to establish, maintain and expand their businesses. Government financing can reduce the financial burden faced by

entrepreneurs by providing funds at relatively favourable conditions, particularly for businesses that may not have adequate collateral or a long credit history. Abu et al. (2025) observed that government support can improve SMEs' access to finance and strengthen their survival and performance, particularly when government initiatives are combined with alternative financing mechanisms. In Nigeria, financing constraints remain a significant challenge for SMEs because of collateral requirements, informal business structures and lenders' perceptions of risk. Abdulganiyu (2026**)** therefore recommended stronger government-supported credit guarantee schemes to improve SMEs' access to finance. Government financing may also support entrepreneurship by encouraging investment, innovation, employment creation and business expansion. However, the effectiveness of government financing depends on proper implementation, accessibility, transparency and timely disbursement. Recent evidence from Nigeria indicates that inadequate funding and bureaucratic bottlenecks can limit the effectiveness of government entrepreneurship initiatives **(**Muhammad et al., 2026). Thus, government financing can be viewed as an important external source of entrepreneurial finance that enables entrepreneurs to overcome capital constraints and improve the capacity of their enterprises to grow.

2.2.4 Equity Financing

Equity financing refers to the process through which an entrepreneur raises capital by giving an investor an ownership interest in the business. Unlike debt financing, equity financing does not normally require the entrepreneur to make regular repayment of the capital raised. Instead, the investor assumes part of the business risk and expects returns through profit sharing, dividends or an increase in the value of the ownership interest. Equity financing may therefore provide entrepreneurs with the capital needed to establish, operate and expand their businesses without creating the immediate repayment obligations associated with loans. Equity financing can come from different sources, including business angels, venture capital firms, private equity investors, friends and family, and other private investors. It is particularly useful for entrepreneurial firms with strong growth potential but limited collateral or insufficient financial resources to obtain conventional loans. Recent research shows that equity financing can contribute to the financial resilience and survival of entrepreneurial firms. Kacer et al. (2025), examining equity-funded entrepreneurial firms, found that equity-backed firms demonstrated resilience in dealing with adverse economic conditions. Equity financing also allows entrepreneurs to obtain financial resources while sharing business risks with investors. However, raising equity capital may reduce the entrepreneur's percentage ownership and decision-making control because investors acquire an interest in the business. A recent systematic review by Su (2025) identifies equity financing as an important component of the financing challenges and financing alternatives available to SMEs. The continuing importance of equity and other forms of entrepreneurial finance is also reflected in the OECD (2026) review of SME and entrepreneurship finance, which highlights the changing conditions under which SMEs obtain external finance. Therefore, equity financing as a dimension of entrepreneurial financing can be measured through the entrepreneur's ability to obtain capital from equity investors, venture capitalists, business angels

and other ownership-based sources of finance. It provides entrepreneurs with additional financial capacity for business development while transferring part of the financial risk to the investors.

2.2.5.1 Performance of woodwork Enterprises

Woodwork enterprises performance can be measured using several indicators, depending on the objectives of the and the factors that outline the establishment up of such enterprises. The major measures include: customer satisfaction, customer lyalty, customer retention, sale growth, others are: Profitability**:** This refers to the ability of a business to generate profit from its business activities and resources. It can be measured using indicators such as profit margin, return on assets and return on investment. Sales Growth**:** Sales growth measures the increase in the volume or value of goods and services sold by a business over a given period. Continuous growth in sales indicates increasing demand and improved business performance. Market Share: Which represents the proportion of total industry sales or customers controlled by a particular business. An increasing market share indicates that a firm is becoming more competitive within its market.

Onenyi, Nelson, and Ogbike (2026) associate business performance with the results achieved by firms through the effective use of their organisational resources and capabilities. They belief that performance can be reflected in improved operational outcomes and the ability of firms to achieve their business objectives. **Ikeh (2026)** also notes that organisational performance among Nigerian SMEs is reflected in the extent to which firms achieve desired business outcomes through effective management practices.

2.2.5.2 Entrepreneurial Finance and Performance of Woodwork Enterprises

The availability of entrepreneurial finance can also improve the productive capacity of woodwork enterprises. Adequate finance enables owners to acquire modern equipment and replace obsolete tools, which can improve the speed, quality and quantity of production. Improved production capacity may allow the enterprise to accept larger orders, reduce production delays and serve a wider range of customers. In this way, finance can contribute to better operational performance and increased business income. Entrepreneurial finance is also important for the growth and expansion of woodwork enterprises. An enterprise with sufficient capital can increase its stock of raw materials, employ additional skilled workers, open another workshop or establish stronger distribution channels. Such activities can increase sales and market coverage and may consequently improve profitability and overall business growth. Recent literature continues to recognise access to appropriate financial resources as an important condition for the development and performance of small businesses (Onyele et al., 2025; Alhassan & Manzuma-Ndaaba, 2026). The different sources of entrepreneurial finance may influence woodwork performance in different ways. Equity financing**,** for example, provides capital without the compulsory repayment obligations associated with conventional loans. Debt financing can provide substantial funds for purchasing machinery and expanding production, although repayment and interest obligations can place pressure on business cash flows. Entrepreneurial bootstrapping enables business owners to make use of personal resources, retained earnings and other internally generated means when external finance is difficult to

obtain. Government financing can also provide grants, subsidised loans or other financial support that may help small enterprises overcome capital constraints. The effectiveness of entrepreneurial finance ultimately depends on how the funds are managed and applied. Financial resources directed towards productive activities such as purchasing quality materials, acquiring equipment, improving skills, marketing products and expanding operations are more likely to generate positive business results. Conversely, inadequate finance or poor utilisation of available funds may limit production and weaken business performance. For woodwork enterprises, therefore, entrepreneurial finance can be linked to performance through working capital, investment in productive assets, production capacity, business expansion and market development. These factors can influence important performance outcomes such as profitability, sales growth, market share, productivity and business growth. The relationship can consequently be expressed as follows: adequate and properly managed entrepreneurial finance provides the resources required for effective business operations, while effective operations contribute to improved performance of woodwork enterprises. In summary, entrepreneurial finance serves as a financial foundation for the performance of woodwork enterprises. The ability of woodwork entrepreneurs to obtain and effectively utilise appropriate financial resources can determine their capacity to acquire productive assets, maintain continuous production, meet operating costs, expand their businesses and compete effectively in the market. Thus, stronger access to and effective management of entrepreneurial finance is expected to contribute to improved performance of woodwork enterprises.

Empirical Review

Zhang, O'Kane, and Griffin (2025) examined how micro-entrepreneurs use financial bootstrapping to support innovative activities. The study was published in *Small Business Economics* and was based on an empirical investigation of micro-entrepreneurs operating within the microfinance environment. The researchers examined whether relational social ties could encourage value-oriented innovative behaviour through self-reliant financial bootstrapping. The findings showed that social relationships and access to supportive networks can facilitate entrepreneurs' use of bootstrapping practices, which in turn support innovative behaviour. The study demonstrates that bootstrapping is not only a response to financial constraints but can also serve as a means through which entrepreneurs mobilise limited resources for business innovation.

Fitzsimons, Hogan, and Hayden (2025) investigated the relationship between financial bootstrapping and working capital management among 167 established micro, small and medium-sized enterprises in Ireland. Using factor analysis, the study identified two major forms of bootstrapping: delaying payments and owner-related bootstrapping, and customer-related bootstrapping. The findings established a close relationship between bootstrapping practices and working capital management. In particular, delaying payments and owner-related financing were associated with the management of trade payables, while customer-related bootstrapping was connected with the management of trade receivables. The researchers concluded that bootstrapping provides established MSMEs with practical ways of managing resources and reducing dependence on external sources of finance.

Saeed (2026) examined the role of government financial assistance in enhancing the performance and financial sustainability of SMEs in Ghana. The study employed quantitative analysis using 59 firms and 354 firm-year observations covering 2015–2020. A logit random-effects model was used to examine the relationship between government assistance and SME outcomes. The findings showed that government financial assistance significantly improved SME performance and access to credit. The study further established that government support can reduce information asymmetry between SMEs and financiers, thereby improving firms' ability to obtain private financing. The study concluded that government financial assistance can contribute to improved business performance and financial sustainability.

Sari *et al.* (2026) investigated whether government support and financial literacy affect the performance of disability-owned SMEs in Yogyakarta, Indonesia. The researchers collected data from 56 SME owners using a structured questionnaire and analysed the data using Structural Equation Modelling–Partial Least Squares (SEM-PLS). The results revealed that financial literacy did not have a statistically significant effect on SME performance, whereas government support had a positive and statistically significant effect on SME performance. The study therefore demonstrates that government intervention can make an important contribution to improving the performance of small businesses, particularly among entrepreneurs facing structural barriers to accessing resources.

Shilo and Musa (2026) examined the effect of debt and equity financing on the value of 35 quoted manufacturing companies in Nigeria using panel data covering 2014–2023. The study found that equity financing had a positive and significant effect on firm value**,** with a reported coefficient of 0.86 and a p-value of 0.000. The researchers therefore concluded that equity financing can enhance firms' market valuation when appropriately incorporated into their capital structure.

Ogbodo, Nwatu, and Ogbodo (2026) examined financing choices and firm performance in Nigeria's oil and gas sector using data from selected firms covering 2015–2024. The study specifically examined total equity financing and its effect on return on assets. Their results indicated a negative relationship between total equity financing and return on assets, although the reported p-value was 0.1452, indicating that the relationship was not statistically significant at conventional levels. This finding suggests that increasing equity financing does not automatically translate into improved operational performance and that the effectiveness of equity capital may depend on how the funds are deployed.

Oladele, Eze, and Olaniyan (2026) investigated capital structure and firm performance among listed manufacturing companies in Nigeria using panel data for 2010–2024. Their analysis included equity financing and measured performance through return on assets and return on equity. The study reported that equity financing had a strong positive effect on both ROA and ROE**,** suggesting that an appropriate equity-financing structure can improve financial efficiency and shareholder returns.

Akpoghelie and Okolie (2026**)** investigated capital structure and the performance of selected quoted manufacturing firms in Nigeria using data covering 2015–2024. Equity financing was measured alongside total debt, while performance was assessed using return on assets, earnings per share and dividend per share. The study found that equity financing was positive in explaining changes in return on assets, although the effect was not statistically significant. For earnings per share and dividend per share, however, equity financing showed negative effects. The findings suggest that the contribution of equity financing to performance may differ depending on the specific performance indicator adopted.

3. Method

The study is carried out in Kogi East, Kogi State, Nigeria, a fast-developing economy in the part of Kogi State. A self-structured questionnaire adopted from previous literature (Hadizadeh, 2013; Nawab *et al*. 2015) on five–point Likert scale was used to generate data to investigate the relationship between entrepreneurial finance adopted and performance of woodwork enterprises in the competitive environment, a total of 10 different woodwork enterprises were used for the study with the population of 600 and a sample size of 240.. For the reliability of the instrument, Cronbach Alpha's was used to test the items in the questionnaire. The coefficient result was 0.89 which is high enough to consider the instrument reliable for the study (Bruce and Kay, 1978). A pilot study was conducted on 10 microfinance banks with test–re-test result of Pearson-Moment Correlation Coefficient of 80%. The sampling frame consisted of 20 employees and management of woodwork enterprsies, Giddens (1983) selection formulae was used to obtain the sample size. The simple random sampling method where everyone has the equal chance of being selected was employed to select the sample size of two hundred and forty (240) respondents, but only two-hundred and twenty-five (225) respondents responded. Descriptive statistics, Pearson-Moment Correlations and Multiple regression analytical technique were used for analysis.

The Dependent Variable:

Performance was measured with the increase in customer base as well as number of activities carried out in a shortest time, that is, the ability of woodwork enterprises to have more customers, retention of these customers, sales growth, locations, outlets and branches as a result of new ideas employees of woodwork enterprises used, which had in the past five years as obtainable in some activities (Uzor, 2021; Okwo *et al.* 2019). That is, how increase in customer base, loyalty, retention and sale growth determine growth and how many customers patronize the woodwork enterprises and number of customers retained in each year in the past 5 years (2000-2025). Therefore, sales growth, customer loyalty, customer retention and the increase in number of customer base, locations or branches as well as increase in employees or staff strength was considered a useful measure of performance

Independent Variables:
The Entrepreneurial finance that were used are entrepreneurial bootstrapping, government financing as well as equity financing were measured with 3 items each based on performance of woodwork enterprises, availability of data base for knowledge storage, the methods of documentation of expert's knowledge, means of acquisition, assimilation and storage of conference/training materials; means of conversion and storage of entrepreneurial finance. Respondents were at liberty to choose between the ranks of 5 to 1 with highest score 50 and least score 10. Crowd-funding was measured with one-on-one access to capital or pool of finances, market or community engagement, use of A total of 3 items were raised and respondents are at liberty to choose between the ranks of 5 to 1.
Boostrapping was measured with personal savings, retained business earnings, reinvestment of profits and delayed payment to suppliers use of B total of 3 items were raised and respondents are at liberty to choose between the ranks of 5 to 1.

Model: $\text{Perfor}_{(1\text{-}3)} = \beta_0 + \beta_1\ \text{EntrBotStrap}_{(1\text{-}5}\beta_5\text{GovtFin}_{(1\text{-}3)}\ \beta_3\text{EqtyFinp}, \mu$ ---

4. Results and Discussion of Findings
4.1 Descriptive Data Analysis
This section presented a brief profile of the sample 246' employees of Woodwork Enterprises in Kogi East, Kogi State, Nigeria. It explained the general features of the respondents.
The study adopted face to face survey method with a sample size of 246.

Table 1: Respondents by response rate

Response	Frequency	Percentage
Furniture (a)	80	15.4
Upholstery(b)	66	25.5
Carpenter (c) workers	98	50.8
Respondents Woodwork with all (d)	2	7.8
Total		**100**
Summation of Woodwork (a+b)	246	89.5
Summation of workers of Woodwork (a+d) 48	146	65.4

Source: Researcher, 2026

From Table 4.1, the respondents that produce Woodwork were 246, Furnoiiture were 80, Upholstery were 66, Carpenter were 98 and those that work with all were 48. This indicated that respondents work with all the Microfinance Banks. However, the more respondents used Furniture. (15.4%) than Upholstery (25.5%) and Carpenter (50.8 %). This supported the finding of Awwal (2017) in which Woodwork Enterprises operate with different methods and ways which were most patronized industry with 50.8% (Carpenter) having 25.5% in Furniture and 48% in upholstery while all who use entrepreneurial finance were 7.8%.

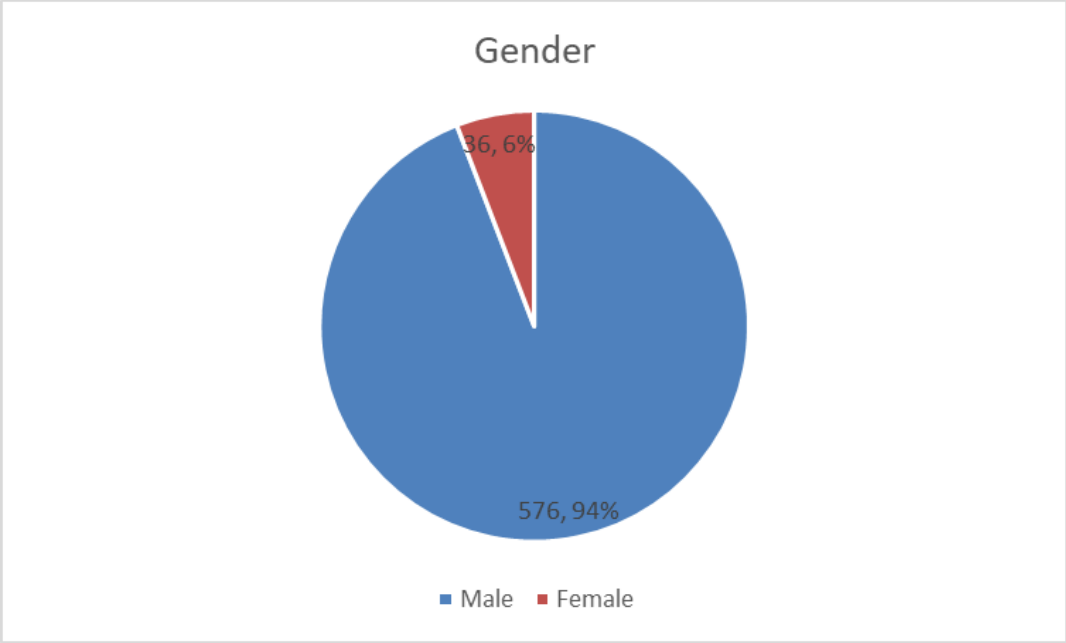

Figure .1 Distribution of Respondents by gender
Source: Researcher, (2026)

Figure 1 showed that 36 respondents of the sample size are female while 94 of the respondents are male which indicated an uneven distribution of gender in the use of entrepreneurial financein Kogi East,, Nigeria. Men are more predominantly involved in the Woodwork Enterprises activities than women, this could be as a result of men physique and natural ability that is, there are more men who make use of entrepreneurial finance than the female counterpart involved in Woodwork Enterprises s. Hence, May, et al (2019) male use natural endowment and capability to ensure works are easily done especially works that involve technical skills and capabilities like Woodwork Enterprises s ensure entrepreneurial finance is adequately considered through Entrepreneurial bootstrapping government financing and equity financing and relearning (Arowsoge and Tee, 2010).

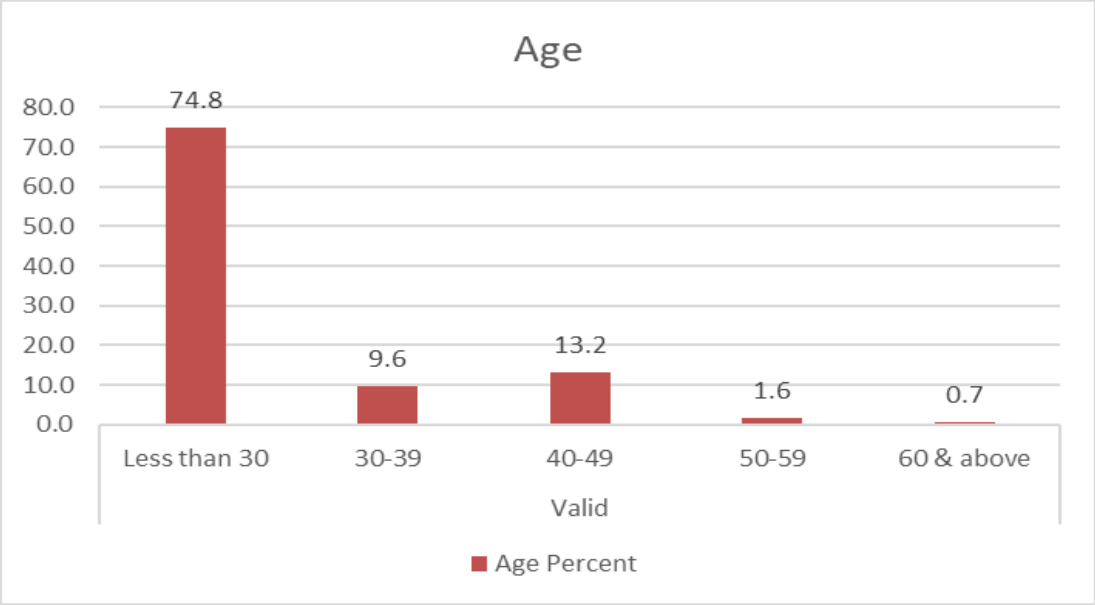

Figure 2: Distribution of Respondents by Age
Source: Researcher, (2026)

Figure 2 revealed the percentage distribution of the age distribution of respondents that the majority are less than 30 years (74%) followed by 40-49years (13.2%), followed by 50-59 years (1.6%) but the least is 60 years and above (0.7%) in the Woodwork Enterprises. This implies that most of the employees and more suitable for the study. This supports Ameh (2020) assertion that young people dominate the Woodwork Enterprises and reason for more creativity seen in the industry more than others. Woodwork Enterprises are actively in operation due to the nature of people who engage themselves in the operation of the firm (Adejoh, 2021). Employees of various firms need to make use of knowledge acquired in making the firms known to the people in order to engage more persons at the place of discharging their duties which helps to achieve more performance in the firms. Today, across mainstream, young people hunger for success and greatness as a result of competition within the environment and therefore, the easiest way to make it is through a well demanding business (Seid, 2021).

Factor loading

Presenting the factor loadings of constructs within the measurement model serves as the initial step in assessing the measurement model (Hair *et al*., 2019). This involves both the graphical and tabular presentation of factor loading values for each item within the considered constructs of the measurement model. Items with loading values below 0.5 and above 0.95 were typically deleted.

Table 2:
Summary of Cronbach Alpha and Composite Reliability of Measurement Instrument

Constructs (Entrepreneurial Finance)	Cronbach's alpha (standardized)	Cronbach's alpha (unstandardized)	Composite reliability (rho_c)
Entrepreneurial Bootstrapping	0.790	0.780	0.793
Government Financing	0.751	0.748	0.751
Equity Financing	0.763	0.757	0.769
Performance	0.889	0.847	0.843

Source: Researcher, 2026

Table 3: Summary of Cronbach Alpha and Composite Reliability of Measurement Instrument

Variables	Cronbach's alpha (standardized)	Cronbach's alpha (unstandardized)	Composite reliability (rho_c)
Entrepreneurial Bootstrapping	0.790	0.780	0.793
Government Financing	0.751	0.748	0.751
Equity Financing	0.76	0.73	0.91
Performance	0.889	0.847	0.843

Table 4. : Convergent validity

Variables	Average variance extracted (AVE)
Entrepreneurial Bootsrapping	0.581
Government Financing	0.501
Equity Financing	0.562
Performance	0.614

Source: Researcher, 2026

Table 4.10 provides insights into the constructs' Average Variance Extracted (AVE) scores, which gauge the amount of variance captured by the construct's measurement items. The constructs, namely Entrepreneurial Bootstrapping (EntBoostrapp), Government Financing (GovtFin), Equity Financing (EquitFin) and Performance of Woodwork Enterprises (PerfWWE),

each have corresponding AVE values. The AVE is a critical indicator for assessing the convergent validity of the measurement model. Analyzing the AVE values reveals varying degrees of convergent validity across the constructs. Notably, Entrepreneurial Bootstrapping (EntBoostrapp),) stands out with the highest AVE score, suggesting that a substantial proportion of the variance in its measurement items is accounted for by the underlying construct. On the other hand, Government Financing (GovtFin) has the lowest AVE value among the constructs. While all AVE values fall below the ideal threshold of 0.5, they are still indicative of an acceptable level of convergent validity, demonstrating that each construct captures a reasonable amount of shared variance among its items.

Hypothesis testing

H_i: there is no positive significant relationship between Entrepreneurial Bootstrapping and Performance of Woodwork Enterprises

H_{ii}: there is no positive significant relationship between Government Financing and Performance of Woodwork Enterprises

Hiii: there is no positive significant relationship between Equity Financing and Performance of Woodwork Enterprises

	Unstandardized coefficient		Standardized coefficient	Sig
	B	STD Error	Beta	
Constant	0.182	1.137		0.000
Entrepreneurial	0.50	0.660	0.541	0.031
Bootstrapping-	0.34	0.44	0.412	0.042
Government Financing	0.67			
EquityFinancing	0.69			
	0.63			
R				
R-square	0.69			
Adjusted R-Square	10.322			
F-Value				

SPSS 26.0 Beta of 0,042 significant at 0.0031

Table 1 above shows the linear regression analysis result between, Entrepreneurial Bootstrapping and performance of Woodwork Enterprises in Kogi East. There is a significant positive relationship between Entrepreneurial Bootstrapping and performance, it shows that a unit increase in Entrepreneurial bootstrapping of Woodwork Enterprises will lead to 0.50 improvement in performance of Woodwork Enterprises. The result is in agreement with the finding of (Jacob *et al*, 202024) who found a significant relationship between Entrepreneurial bootstrapping and performance of Woodwork Enterprises. The R^2 shows that the model

explained 69% of the total variance as a whole while other variables (such as bank loans, cooperative loans, and trade credits) not mentioned in the model explained 31%. The F-statistics (10.332) shows a good model fit, the result is highly significant at P<0.1. Therefore, the null hypothesis is rejected. Also, the result shows that Government Financing has a positive effect on the performance of Woodwork Enterprises in Kogi-East which is significant at 0.05 level of significant. The result indicates that a unit increase in Government Financing will lead to 0.34 increase in performance of Woodwork Enterprises in Kogi-East, Kogi State. This is also in agreement with the work of (Larisa, 2021) who found a significant relationship between Government Financing and performance of Woodwork Enterprises. Based on the findings, the null hypothesis was rejected.

Besides, there is a significant positive relationship between Equity Financing and performance of Woodwork Enterprises in Kogi East, Kogi State, it shows that a unit improvement in equity financing of woodwork enterprises will lead to 0.67 improvement in performance of Woodwork Enterprises. The result is in agreement with the finding of (Suleiman *et al*, 2025) who found a significant relationship between Equity financing and growth of Dangote Cement PLC. The R^2 shows that the model explained 69% of the total variance as a whole while other variables not mentioned in the model explained 31%. The F-statistics (10.332) shows a good model fit, the result is highly significant at P<0.1. Therefore, the null hypothesis is rejected.

Conclusion/Recommendation

This study reconnoitered the composite dynamics between entrepreneurial finance and performance of Woodwork Enterprises, emphasizing how various financing forms such as Entrepreneurial Bootstrapping, Government Financing, and Equity affect Woodwork Performance. The originality of this study lies in its comprehensive analysis of how different forms of entrepreneurial finance interact with relative factors to influence performance across various sectors. This study contributes to the academic understanding of entrepreneurial finance and offers practical insights for policymakers, investors, and entrepreneurs. By identifying the key drivers of performance and the barriers that must be addressed, this study provides actionable recommendations

i. Woodwork Enterprises should continuously ensure Entrepreneurial Bootstrapping is properly adopted in order to allow entrepreneurs manage their business within their capacity.

ii. Woodwork Enterprises should make effective use of Government Financing to allow subsidized credit, developmental finance loans, business support programmes and entrepreneurial intervention funds in order for them to add more to their output.

iii. Woodwork Enterprises should engage in Equity financing through personal investment, Angel investors, Venture capital, sales of ownership shares and contribution from partners in moving the business to another height.

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