FAMILY FACTORS AND WOMEN ENTREPRENEURIAL MOTIVATION IN NIGERIA: A SURVEY OF SELECTED WOMEN ENTREPRENEURS IN KOGI STATE

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Abstract—The study investigated the impact of family factors on women entrepreneurship in Kogi State, North Central Nigeria. The family is a source of finance and human resources, social and cultural values, and role modelling. While studies have shown that family background is one of the numerous determinants of entrepreneurial intention, we know little about the influence of family factors on entrepreneurial intentions in Nigeria, particularly among women. Data for the study were collected through primary source. The study surveyed women entrepreneurs in three Local Government Areas, LGAs; (Lokoja, Okene and Kabba) of Kogi State. 340 women entrepreneurs were sampled through Yaro Yamane while Bourley’s proportion allocation formula was used to determine samples for the various LGAs. The sample was arrived at using stratified sampling in the first instance, and simple random sampling was done afterwards to get the required respondents. Findings revealed moderate positive coefficient of correlation between desires to be closer to the family; participation in family business; desire to leave legacy to family members; desire to support family members and women entrepreneurial motivation. More and more women are starting new business, whether micro, medium or large scale, motivated by mostly family factors and survival in a male predominant societies, and women entrepreneurs are creating employment opportunity and generating income. It was recommended that there should be improvement in societal encouragement of women’s participation in economic issues, nation building, innovation and productivity.

Keywords—Family, Factors, Women Entrepreneurship.

I. INTRODUCTION

The role assigned to entrepreneurship for economic growth and development especially in the developed economies such as USA, Britain, Japan, Canada and others made most developing economies to adjust their developmental policies and plans. New enterprise development is seen as a vital tool for economic advancement in both developed and developing economies. Entrepreneurship as the engine of economic growth and wheel that pedal the vehicle of economic development has been recognized for its importance in the area of job creation, revenue generation, poverty alleviation and wealth creation. Entrepreneurship is now identified as the central element in the theory of economic development [1].

Entrepreneurship is therefore a process that involves a willingness to rejuvenate market offerings, innovate, risks taking, trying out of new and uncertain products, services and markets towards exploring new business opportunities [2]. It attracts both men and women who are interested in profitable inter-industry relationship. Women entrepreneurship is the process where women organise all the factors of production, undertake risks, and provide employment to others. The definition of women entrepreneurship has never been differentiated on the basis of sex and hence could be extended to women entrepreneurs without any restrictions [4]. A woman entrepreneur is a person who is an enterprising individual with an eye for opportunities and an uncanny vision, commercial acumen, with tremendous perseverance and above all, a person who is willing to take risks with the unknown because of the adventurous spirit she possesses [4]. Thus, a woman entrepreneur is one who starts business and manages it independently and tactfully, takes all the risks, faces the challenges boldly with an iron will to succeed. Women entrepreneurship is an economic activity of those women who think of a business enterprise, initiate it, organise and combine the factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise. The Nigerian women entrepreneur is described as “aged 41, married with children, grew up in an entrepreneurial environment, has previous work experience of about eight years, runs a small business that has been operating for about nine years and of which she is likely to be the sole or majority owner, prefers to have her family members as partners or employees, has her first attempt at starting a business, uses mostly her own savings as start-up capital, was motivated by personal factors when she decided to become an entrepreneur, faced start-up problems such as labour, financing and economic problems but today, faces increasing economic, labour and cost problems, rates her business as “moderately successful” and attributes the success of her business to three qualities, that is, quality of product/service, quality of human resource and her own personal qualities” [4].

Internationally, participation of women in the labour market stayed behind in the two decades from 1990 to 2010 [6]. Changes have occurred recently in the participation of women in the labour market but they still continue to accept most of the responsibilities for the home. Women use up at least twice as much time
as men on non-paid household work. Women are therefore becoming increasingly important in the socio-economic development of both developed and developing economies as they account for significant percent of the operators of Small and Medium Enterprises (SMEs) [7]. Women entrepreneurs make a substantial contribution to national economies through their participation in start-ups and their growth in small and medium businesses [8]. Their interests and activities in the economic growth and development especially in the area of SMEs have received outstanding interest of researchers. Global Entrepreneurship Monitor (GEM) report provided a cross national assessment of women’s entrepreneurial activities in 35 countries and examined the characteristics of both early-stage women entrepreneurs as well as established women business owners [9]. GEM confirmed that women participated in a wide range of entrepreneurial activities across the 35 countries and their activities in different countries have paid off in form of many newly-established enterprises for job and wealth creation. This notwithstanding, entrepreneurship is usually seen from the perspective of men driven economy [10]. Due to its complexity, particularly its gender issues, the role of women entrepreneurs has not been properly documented. Researchers reported flexibility to manage dual responsibilities and for a more balanced life as the major factors why women leave paid job to start their own businesses [11]. A review of literature reveals various push and pull factors as motivators for business start-ups or alternatively, positive and negative factors [12]. Push or negative factors are associated with the necessity that forces a woman into pursuing her business plans. These factors can include economic necessity and the need for a flexible work schedule, reflecting the family caretaking roles that is still expected from a woman [13].

There is now a growing phenomenon of dual – income family structure due to economic challenges in the country: the result of this is the quest and desire by middle and low income women to build wealth through entrepreneurship. The growing awareness, participation and relevance of women entrepreneurs in our society have had a positive influence on entrepreneurial activities [14]. In Nigeria, women play a major role in the trade and service sectors of the economy with the major motive of supplementing their family income since they are profitable ventures that require minimum capital [15]. Being self-employed can thus be chosen because it offers flexible work arrangements, and enables women to balance work and family activities. Staying small may be then a deliberate choice of the woman to be able to combine these activities [16]. Kevane and Wydick also argue that the reason for low profitability is because women run their businesses in a subsistence-oriented manner and to complement their husbands’ income in supporting the family. They thus tend to diversify their activities by creating several small businesses rather than investing in the growth of an existing one [14].

In Nigeria, different spending priorities also define the amount each gender reinvests in its business, as females are known to devote a higher share of their earnings to the welfare of children [18]. Research revealed that only the in-kind grants lead to an increase in the firm’s profit, a result particularly robust in female-owned firms [19]. Cash grants seem to be spent on household expenses and transfers rather than invested in the business. In the short-run, a successful female-run business may be beneficial for the welfare of the household, in terms of nutrition or health, but from a strict efficiency point of view, female entrepreneurs may not reinvest sufficient amounts in their business to accumulate enough capital which would allow them to raise their profitability.

II. RESEARCH PROBLEM

Despite large volumes of information on small business formation and the economic contribution of women in developed countries, little is known of women entrepreneurs in developing countries, particularly Nigeria. Most studies on entrepreneurial factors are focused on men without particular attention to women. Factors that motivate women into entrepreneurship and their experience in self-employment, their contribution to the creation of new businesses and ability to create new jobs, are largely invisible in the literature in spite of women’s occupational exodus to entrepreneurship in developing countries [20].

An important concern which resulted to the significance of this study therefore, centres on the issue of lack of adequate evidence on the influence of family factors on performance of women entrepreneurship in Nigeria, whereby inappropriate attention is given to women with less evidence on their socio-cultural tendencies.

III. OBJECTIVES

The general objective of the study is to examine the influence of family factors on the growth of women entrepreneurship in Kogi State.

Hypotheses

HO₁: The desire by women to stay closer to their families does not have significant relationship with performance of women entrepreneurship in Kogi State.

HO₂: The participation of women in family businesses does not have significant relationship with performance of women entrepreneurship in Kogi State.

HO₃: The desire by women to leave a legacy for family members does not have significant
relationship with women entrepreneurial performance in Kogi State.

**HO2:** The need to support one’s family does not influence performance of women entrepreneurship in Kogi State.

### Methodology

The study surveyed women entrepreneurs in three Local Government Areas, (LGAs) of Kogi State; (Lokoja, Okenne and Kabba). The target population of the study comprised of women entrepreneurs in Kogi State. Published documents that contain information on the number of women entrepreneurs in agricultural, manufacturing, trade and service sectors in the State were obtained from the State’s membership directories of Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA), Nigerian Association of Small and Medium Enterprises (NASME), Nigerian Association of Small Scale Industrialists (NASSI) and other related associations. Two thousand, two hundred and fifty (2,250) women entrepreneurs which form the sampling frame were extracted from these lists. 340 women entrepreneurs were sampled through Yaro Yamane while Bourley’s proportion allocation formula was used to determine samples for the various LGAs. The sample was arrived at using stratified sampling at first to categorized businesses in (i) new venture enterprises, (ii) stabilizing enterprises and (iii) stabilized enterprises. Disproportionate sampling was carried out to select the representatives of the categorized enterprises. Finally, simple random sampling was done to get the required respondents. 320 responses were recorded representing 94.12% of the sample size. The study used survey design that involved descriptive and inferential statistics in the process of addressing the research objectives. The respondents were required to select from a 5-point Likert scale questions which included a category of strongly agreed (5), agreed (4), neutral (3), disagreed (2) and strongly disagreed (1). The use of questionnaire was necessary in order to enable objective and precise response to the research questions. A statistical model of ranked correlation coefficient was used to test the hypotheses of this study. Women in business were classified into agriculture, manufacturing, service and trade sectors.

### IV. RESULTS AND DISCUSSIONS

Table 1 reveals that the service sector of the economy was most attractive to women entrepreneurs with 143(44.7%) of respondents followed by trading which represented 79(24.7%), while agriculture represented 63(19.7%). However, 35(10.9%) of respondents indicated manufacturing as the nature of their businesses. This analysis implies that majority of women entrepreneurs 143(44.7%) in Kogi State own and operate businesses that are service oriented.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural</td>
<td>63</td>
<td>19.7</td>
<td>19.7</td>
<td>19.7</td>
</tr>
<tr>
<td>Trading</td>
<td>79</td>
<td>24.7</td>
<td>24.7</td>
<td>44.4</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>35</td>
<td>10.9</td>
<td>10.9</td>
<td>55.3</td>
</tr>
<tr>
<td>Service</td>
<td>143</td>
<td>44.7</td>
<td>44.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>320</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Impact of Family Factors on Performance of Women Entrepreneurship**

Providing answers to the influence of family as an entrepreneurial factor for women in Kogi State, table II shows that staying closer to the family is a dominant factor that drives women in business with a highest mean of 3.9438. This is closely followed by a mean score of 3.8688 for a desire to stay around and support the family financially and otherwise. Similarly, some respondents indicated the fact that their choice of business is due to the fact that their family members; parents or other relatives, have being involved in such businesses at one point or the other. This has a mean score of 3.6750. The desire to leave legacy for the family members has the least mean score of 3.6156. This analysis implies that the tendency to stay close to the family with 3.9438 mean score has the greatest potential of motivating women entrepreneurs in Kogi State.

<table>
<thead>
<tr>
<th>Variables</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>I started this business because I wanted to be closer to your family</td>
<td>320</td>
<td>1.00</td>
<td>5.00</td>
<td>3.9438</td>
<td>1.24315</td>
</tr>
<tr>
<td>This type of business is peculiar to my family members</td>
<td>320</td>
<td>1.00</td>
<td>5.00</td>
<td>3.6750</td>
<td>1.32226</td>
</tr>
<tr>
<td>I want to leave legacy for my family members</td>
<td>320</td>
<td>1.00</td>
<td>5.00</td>
<td>3.6156</td>
<td>1.31273</td>
</tr>
<tr>
<td>I ventured in business in order to support my family</td>
<td>320</td>
<td>1.00</td>
<td>5.00</td>
<td>3.8688</td>
<td>1.06892</td>
</tr>
</tbody>
</table>

**Source:** Field Survey, 2014
Performance of Women Entrepreneurship in Kogi State

Table III shows different perceptions women entrepreneurs held about reasons for better performance or otherwise of their businesses. There are six prominent dimensions of performance; many of them believed that their business is growing due to hard work, personal input, competence, special marketing and financial skills. Most of the women entrepreneurs believed their hard work resulted in expansion (growth) as shown in the mean score which is the highest at 3.8938. This is closely followed by efficiency in cost that resulted into huge savings with a mean score of 3.7812. Other performance items that follow include increased income with a mean of 3.7281, improved competitiveness in the market place with 3.6500 mean and increased financial investment with the least mean score of 3.3938. This analysis implies that among the performance dimensions used, business expansion is perceived as the dominant index of high level performance among women entrepreneurs in Kogi State.

<table>
<thead>
<tr>
<th>Performance Item</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>My business financial investment has so much improved.</td>
<td>320</td>
<td>1.00</td>
<td>5.00</td>
<td>3.3938</td>
<td>1.39005</td>
</tr>
<tr>
<td>Due to my cost consciousness (financial skill), my company has saved a lot of money.</td>
<td>320</td>
<td>1.00</td>
<td>5.00</td>
<td>3.7812</td>
<td>1.26030</td>
</tr>
<tr>
<td>Our competitiveness in the market is improving.</td>
<td>320</td>
<td>1.00</td>
<td>5.00</td>
<td>3.6500</td>
<td>1.28018</td>
</tr>
<tr>
<td>My business has expanded greatly since I started.</td>
<td>320</td>
<td>1.00</td>
<td>5.00</td>
<td>3.8938</td>
<td>1.01769</td>
</tr>
<tr>
<td>My business profitability has increased.</td>
<td>320</td>
<td>1.00</td>
<td>5.00</td>
<td>3.4406</td>
<td>1.39959</td>
</tr>
<tr>
<td>My personal income has increased.</td>
<td>320</td>
<td>1.00</td>
<td>5.00</td>
<td>3.7281</td>
<td>1.24612</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2013

V. FINDINGS

Summary of correlations indicated a positive relationship between family factors and performance of women entrepreneurship. The extent of the correlation coefficient showed r=0.57, 0.38, 0.47, 0.35 for closeness to the family, peculiarity of family business, leaving a legacy for family members and family support respectively. This relationship shows positive correlation between family factors and performance of women entrepreneurship in Kogi State. The factor that indicated the strongest correlation is the desire to be close to the family, r=0.57. This is not surprising because women are known to be home cares and builders. This is followed by leaving a legacy to the family with r=0.47. This is particularly so as revealed by researchers that “glass ceiling” prevents women from great achievements when they work for others. The next ranked variable is r=0.38 for the peculiarity of the business with family business activities from which experience was obtained. Supporting the family as an entrepreneurial factor ranked forth with coefficient correlation of r=0.35.

The moderate results of the study substantiate reports that “pull and push” factors include amongst others, family caretaking roles and desire to feed ones family.

CONCLUSION

Women entrepreneurs are the rising stars of the economy. More and more women are starting new business, whether micro, medium or large scale, motivated by mostly family factors and survival in a male predominant societies, and women entrepreneurs are creating employment opportunity and generating income. The overall picture shows Nigerian female entrepreneurs operating in an unfavourable business environment characterized by tough family challenges. Despite these challenges, It is surprising to know that a great majority of Nigerian women are motivated to create and manage their businesses.

In spite of constraints affecting business start-up and growth, Nigeria has witnessed a steady increase in the number of women entrepreneurs. This is indicative of the fact that Nigerian women can overcome intolerance present in their communities and challenges in business, by exploiting opportunities and equipping themselves to cope with various factors confronting their entry and growth in business. Consequently, starting a business is seen as a solution to balancing work and family commitments. As such there is urgent need for policy formulation targeted specifically towards women entrepreneurs to help overcome family, obstacles.
RECOMMENDATIONS

Based on the above, the following important recommendations are made:

(i) There should be societal encouragement of women’s participation in economic issues, nation building, innovation and productivity.

(ii) Women should understand that they play an important role in nation building, they should therefore be prepared to start up entrepreneurial initiatives whether they are supported or not. This will help in building up their self-confidence and self-esteem which are important factors in taking the risks involved in starting and growing entrepreneurial ventures.

(iii) Programmes for the development of women entrepreneurship should recognize the traditional gendered role of women that contributes to the double burden of responsibilities. Governments are encouraged to ensure that capacity building in entrepreneurship is complemented by access to social programmes to relieve the burden.

(iv) To cope with the multiple roles as wives, daughters, mothers and economic drivers, women entrepreneurs should choose the type of businesses that will help them accomplish these roles.

REFERENCES


