

## **Women Entrepreneurs: Issues, Challenges And Prospects In Igueben Local Government Area, Edo State, Nigeria**

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### **Abstract**

*Women entrepreneurs have become a topical issue due to their influence in global economies and business today, their impact has been felt in most developing countries including Nigeria. Despite these contributions women entrepreneurs still suffer a lot of set back and constraints in exploiting their potentials unlike their male counterparts. There are wide ranges of factors limiting the progress of women entrepreneurs. The objective of this study is to examine the challenges faced by women entrepreneurs that inhibit full utilization of their creativity in Igueben Local government of Edo State, Nigeria. Primary data was used for this study which was generated through structured questionnaires and direct interview from entrepreneurs within Igueben Local Government. ANOVA was employed to test the research hypothesis. Recommendations were made on how to strengthen women entrepreneurs in the Local government and Nigeria at large.*

**Keywords:** *Women Entrepreneurs; capital; Igueben; entrepreneurship; challenges.*

### **Introduction**

Women's status in any society is perhaps different from that of their male counterparts and this may be destined naturally. This perception could possibly provide some basic explanations on the reason for the different role expectations from men and women in the society. Women are seen as inseparable from the family and most functions of housekeeping in the family are assigned to them. In the first instance, women are generally considered as main carers of the family (Tisdell, 2002; O'Connell, 1994).

In most cases the income of the head of household normally determines the economic wellbeing of the entire family members. When family lives in poverty, the women usually suffers most (Tisdell, 2002) and that affects significantly the welfare of the children. It is in

fact more devastating if the children are teenagers who cannot partake in any job or productive economic activity. In some instances, the women play important roles in poverty reduction of their immediate families especially if the income of the husband is very meagre to cater for the family's basic needs. They actually play a complementary role in the fight against poverty in most countries especially in developing or low income countries. Some studies reveal that the increasing rate of women participation in entrepreneurship is due to increase economic pressure and perhaps awareness as a result of increasing level of education (Tambunan, 2008).

Due to these reasons and other challenges, women begin to partake in entrepreneurial activity to uplift and empower themselves both socially and economically. The role of women is increasingly being recognized in every part of the world (Winn, 2005). It is worth acknowledging that businesses owned by women entrepreneurs are one of the fastest growing entrepreneurial activities in the world (Brush, 2009). Women across the world began to make significant impact by turning themselves into entrepreneurs instead of being mothers only.

Promoting women entrepreneurship development demands more attention to be focused upon issues that restrict women entrepreneurs. Information on gender issues will help with the implementation of supportive practices and programmes for monitoring and evaluating the challenges facing women entrepreneurs in developing economies and the best way to meet their needs. More emphasis from several researchers such as Odoemene (2003) and Mansor (2005) has been placed on the effect of psychological and economic factors on their entrepreneurial development. Few studies have focused on the environmental factors that are likely to affect the participation in business. In Nigeria, there is still a case to be made on the impact of environmental factors on the female entrepreneurs. The focus of this paper is to examine challenges and prospects of women entrepreneurs in Igueben Local Government Area, Edo state, Nigeria.

## **Statement of the problem**

Women entrepreneurship is a relatively new phenomenon in Nigeria,. With growing recognition that women have unique talent, which could be harnessed for development, and for creating employment opportunities for others who are not suited to non entrepreneurial carriers, developing women as entrepreneurs has become an important part of nation development planning and strategies. Shane (2003) stated that entrepreneur's ability to discover and exploit opportunity for entrepreneurial activity differs between individuals and depends on individual's attitude towards risk taking. Women, however, are very often excluded from participation in entrepreneurial activities because most African traditions regard them as subordinate to men regardless of their age or educational status. In Nigerian culture, the traditional female role is still highly regarded and such qualities as subservience, supportiveness, and submissiveness meet with approval. The aim of this paper is to examine the challenges faced by women entrepreneurs in Igueben Local Government Area.

## **Objectives of the Study**

The main objective of the survey is to identify the main challenges and constraints confronting women entrepreneur in Igueben local Government.

## **Research Hypotheses**

These hypotheses were formulated to guide the study.

**H<sub>0</sub>:** Women entrepreneur in Igueben local government do not encounter challenges.

**H<sub>1</sub>:** Women entrepreneur in Igueben local government encounter challenges.

## **Literature Review**

Drucker (1985) defines the entrepreneur as the innovative individual who perceives business opportunities and organizes the required resources to initiate a successful business activity for profit. Ogundele (2000) defines an entrepreneur as the innovating individual, who initiates and nurtures to growth a new and an ongoing business organization, where none existed before. He is the individual who successfully thinks or conceives a new business concern, organizes or initiates actions to start it, and manages it through its initial problems and struggles for survival. He takes all measures that lead the organization to a state of stability and self-sustaining growth. Strictly speaking, an individual is an entrepreneur when he/she performs the above-described functions of an empire builder. This is opposed to the person who is contented with being self employed and in satisfying the primary human needs for hunger, safety and economic security.

Kuratko and Hodgetts (2001) define entrepreneur as individual who recognizes opportunities where others see chaos and confusion. An entrepreneur is a catalyst for economic change, which uses purposeful searching, careful planning, and sound judgment when carrying out the entrepreneurial process. Uniquely optimistic and committed, the entrepreneur works creatively to establish new resources or endow old ones with a new capacity, all for the purpose of creating wealth. Suleiman (2006) defined entrepreneurship as “the willingness and ability of an individual to seek for investment opportunities to establish and run enterprises successfully”. On the other hand Drucker (1970) viewed an entrepreneur as a person who perceives business opportunities and takes advantage of the scarce resources and uses them profitably. Business resources refer to available and affordable production inputs such as raw materials, men and women, money, and machines. By extension, the entrepreneur must be sensitive to the potentials available and target market. It is worthy to note that, only a market-oriented approach to harnessing business opportunity by

entrepreneurs in the 21st century can guarantee the success enunciated by the entrepreneurial concept. Ubom (2003) sees an entrepreneur as an originator of profitable business ideas. Schumpeter (1934) opined that the single function, which constitutes entrepreneurship, is innovative, his view is that innovation rather than risk-taking is the most important distinction between the entrepreneur and the business manager.

The proponents of women entrepreneur identify the following qualities which uniquely position women to be better entrepreneurs. These include; creative abilities, persistence, resilience, patience, nurturing ability and ability to develop passion.

### **Concepts of Women Entrepreneurship**

Entrepreneurs tend to have a number of common traits which include characteristics concerning creativity and innovation, foresight, imagination, and daring. Theories on what makes people entrepreneurs have tended to identify traits internal to the entrepreneur or externally induced or motivated factors, such as a lack of employment opportunities, dissatisfaction at work, and supportive government initiatives (Lewis, 2006).

Women entrepreneurs are simply women that participate in total entrepreneurial activities, who take the risks involved in combining resources together in a unique way so as to take advantage of the opportunity identified in their immediate environment through production of goods and services. The spectrum of women in entrepreneurship often ranges from home-based businesses (HBB) to small, and medium enterprises (MSEs) (ILO, 1998). Women entrepreneurs generally share the same motivations with their men counterparts (Kerka, 1993).

Statistically, women constitute more than 50% of the Nigerian population and out of this; only about 35% of them are involved in entrepreneurship which can be under the form of micro, small, medium and large enterprises (Odoemene, 2003). In Nigeria, regardless of women's physical population, educational, economic and social status, they are not well

represented in the policy making process, especially in issues of business and manpower development. However, given the dynamic nature of the Nigerian environment, a number of changes have emerged, including the recognition of the potential of women and their contribution to the economy. As Mordi (2010) observes that traditional roles occupied by the Nigerian woman in the family are changing as a result of changes in the family configuration and setting which has allowed women to undertake more practical and functional roles within the society.

Women in Africa are not new to entrepreneurship though their efforts are limited to low scale level of operation and certain types of economic activities. A World Bank survey of four African countries according to Paker (1995) - Ghana, Malawi, Mali and found that only 7% of all micro and small scale enterprises in Tanzania are owned by women. In Ghana it was 16% while in Mali was 26%.

### **Challenges Faced By Women Entrepreneurs**

Entrepreneurs are inherently marked with some qualities to make them stand out from the crowd and sustain the challenges that are evolving every now and then. Dealing with these reoccurring challenges is not a matter that is once and for all because new challenges will surely keep resurfacing. The challenges vary in their magnitude depending on the position, norms and tradition of the entrepreneur involved. Some of these challenges are more pressing and require special effort, while some have little implication to the success of women entrepreneurs (Inegbenebor, 2006). One of the important features of entrepreneurship that is mostly discussed in the management literature is risk taking. The amount of risk taken by an entrepreneur may probably explain his/her level of involvement in entrepreneurial activity. Most often men are seen with taking risk attitude than women entrepreneurs. If risk taking is a key factor for success or deep involvement, then men by their nature may be more successful than their women counterparts. Women in their patriarchal home take less risk and

are financially dependent. They are considered as mothers, who do not assume risks or any precarious responsibilities. Fathers or husbands normally prefer restricting their wives/daughters rather than allowing them to explore opportunities and portray their potentials in the business world. The reason usually given is that of providing protection by not to allow them to be exposed to cruel world and possibly rub shoulders with men in the business arena.

Brush (2009) said that the environment in which entrepreneurship take place is somehow linked with recognition of opportunities. For instance for women entrepreneurs to identify any opportunity is largely dependet on how society defines their role. If the society defines their role along family responsibilities, it means societal value is implicitly attached less importance to women entrepreneurship. The women entrepreneurs in this kind of society may be constrained in their ability to recognize and fully exploit those opportunities in the market place. Men may have upper hand in recognizing opportunity by virtue of their position in the society and work experiences. Married women face with double influences of her immediate family and that of her husband. Although these influence may vary from one society to another but it is an axiom that in any society, family do exert influence on the decision of women. In some homes the decision is jointly taken by the wife in conjunction with her husband while in some instances the decision of the husband overrides that of his wife. In some rare occasions women decide alone on what need to be done. In a situation where the woman has less to say, it means the extent of her involvement and decision making on her entrepreneurial activity is determined by someone else. The situation may be different for unmarried woman because the influence will come one side particularly from her parents and siblings.

Gender gap is also another issue that continued to limit the entrepreneurial disposition of women. Agarwal (1994) state that gender gap in ownership and control of property is the most important factor contributing to women problems. Much of the reasons attributed to

gender gap is that women entrepreneurs have less confident, less motivation for entrepreneurship, less desire to start up business compared with the men entrepreneurs and less preparatory education.

Another argument put forward is that traits require to start up business are masculine by nature i.e. such attributes as aggressive, goal oriented and competitiveness, though there is no clear justification that these traits are commonly in men than women but it is often assumed. Also “doing gender” which refers to the process of enacting a social practice in construction of social situation in gender ways (Nelson, 2009). This give room for clear categorization between men and women entrepreneurs to say that men always prevail over women in places of meeting, negotiation, competition or presentations etc. Men are assuming to do better than the women counterpart not only in business but other human endeavours (Nelson et al, 2009; Lorber and Farrell, 1991). This by implication suggests that women entrepreneurs are naturally disadvantage which contributes to their inferiority complex and feeling of dependency, which consequently affects their entrepreneurial growth and success.

The involvement and success of women entrepreneurial activity is affected by the Institutions and macro environment. These include national policies, culture and economic influences etc, they play a significant role in mediating women entrepreneurial activities in many ways. In some culture or society the role of women is historically restricted to home or family keeping. In this case the expectation of women to get involve in entrepreneurial venture is very little compared with the men counterpart, as such their entrepreneurial potentialities has been curtailed. The extent of women empowerment varies from one society to another, in some society women do assume complementary role in managing and provision of basic things to the family, while in some instances her role is only supplementary.



## Methodology

The data used for this study was primary data generated through structured questionnaire. The response format employed a 3 – point Likert scale as follows: 3 - Strongly Agree; 2 – Agree; 1 – Disagree. 120 questionnaires were distributed around Igueben community, Ekpon, Ebelle, Ewosa community all in Igueben Local Government. According to Hill & MacDougall (2003), Dillman (2000) a sample of 100 is large enough to conduct a study of this nature and draws conclusion. Out of one hundred and twenty questionnaires (120) distributed hundred (100) were returned answered. The selection was based on convenience sampling i.e. those respondents the researcher was able to reached. The analysis was done using tables and frequencies. The hypothesis is computed using ANOVA to obtain F- Statistics at 0.05 level of significance.

## Analysis And Discussion

### Are women entrepreneurs having financial challenges?

**TABLE 1:** Finance is an obstacle for women entrepreneur in Igueben local Government Area.

Responses	Frequency	Percentage (%)
Strongly Agree	60	0.60
Agree	20	0.20
Disagree	20	0.20
Total	100	100

*Source: Researcher field work 2016*

From table 1 above, 60% of the respondents strongly agree that lack of finance is what inhibits their entrepreneurial capability while 20% of the respondents agree with the fact that

finance is a limiting factor. On the contrary, 20% of the respondents opined that finance is not a factor that can limit women entrepreneur.

**Are women entrepreneurs affected by socio- cultural problems?**

**TABLE 2:** Does Socio-cultural factors affect women entrepreneur in you locality

Responses	Frequency	Percentage (%)
Strongly Agree	65	0.65
Agree	30	0.30
Disagree	5	0.05
Total	100	100

*Source: Researcher field work 2016*

Based on the table 2 above, we can infer that 65% of the respondents are strongly in agreement that socio-cultural factor within the society they reside affect women in carrying out entrepreneurial activities. For instance, in the area under study women plays double responsibility as both a wife and a mother and as such do not really have the time to engage in entrepreneurial activities. This was also supported by 30% of the respondents while 5% disagree.

**Does educational level attained affect women entrepreneurs?**

**TABLE 3:** Activities of women entrepreneur is affected by their level of education

Responses	Frequency	Percentage (%)
Strongly Agree	50	0.50
Agree	30	0.30
Disagree	20	0.20
Total	100	100

**Source: Researcher field work 2016**

Table 3 above, education is regarded as light in any community and the above question attempt to know if education of women can be linked to their entrepreneurial ability in the community under review. 80% of the respondents reported that level education of women has nothing to do with her ability to be enterprising as there are women who do not receive formal education but are great entrepreneur in Nigeria today. 20% of the respondents opined that when women are educated they excel more than their uneducated counterpart.

**Do women entrepreneurs have access to credit facilities?**

TABLE 4: There are institutions such as micro finance bank and cooperative societies that support women entrepreneur financially within the local government?

Responses	Frequency	Percentage (%)
Strongly Agree	10	10
Agree	20	20
Disagree	70	70
Total	100	100

**Source: Researcher field work 2016**

There are institutions saddled with the responsibility to assist people with finance to start businesses, from the research conducted a large portion of the respondents 70% disagree that no institution of such exist in the communities and that they are not aware. But based on interviews and personal contact made it was revealed that such institutions exist but are not patronized by women also women are not aware of their mode operations. On the contrary, 30% of respondents said they are aware of such institution but fail to approach them for loan because of the cumbersome repayment procedures.

## Research Hypothesis

The research hypothesis states that:

**H<sub>0</sub>:** Women entrepreneur in Igueben local government do not encounter challenges.

**Table 5: Anova Statistics For The Hypothesis**

Source Of Variation	Means	Standard Deviation	Degree Of Freedom	F Statistics
Women Entrepreneurs	2.4	0.8	K= 2, n= 198	F Cal. (2.97)
Level of Challenges	2.6	0.8246		F Tab. (3.8)

Level of Significance = 0.05

Table 5 gives the computation for the hypothesis raised to guide the study. The table shows that the F- Cal. (2.97) is less than F - Tab. (3.8) at 0.05 level of significance with degree of freedoms,  $k- 1= 2-1= 1$  and  $n-k = 200- 2 = 198$ . Hence the calculate value is less than the tabulated value, we reject the null hypothesis and accept the alternate hypothesis which states that ‘women entrepreneur in Igueben local government encounter challenges’. This corroborates Lorber and Farrell (1991) when they asserted that women entrepreneurs are naturally disadvantaged which contributes to their inferiority complex and feeling of dependency, which consequently affects their entrepreneurial growth and success.

## **Conclusion And Recommendations**

Since colonial days women retained certain economic opportunities within the social system. In fact, before the middle of the twentieth century, Nigerian women traditionally played a more significant role in society. Traditional or tribal society in Nigeria expected women to be significant wage earners in the family. They engaged in farming, fishing, herding, and commerce alongside Nigerian men. In fact, women traditionally have the right to profit from their work, although the money usually saved as a contribution to the family income. This economic freedom was much different from many western societies, where women have to fight for the right to work. These traditions still survives in modern Nigeria. I hereby make the following recommendations in order to strengthen the activities of women entrepreneur in Igueben Local Government:

- Government should put in place mechanism that will positively enhance the accessibility of women entrepreneurs to the required funds.
- Women should endeavour to utilize all business opportunities in their environment by seeking advice and counselling from those women who are already succeeding in similar type of businesses.
- Self empowerment through: reflection, education, training and development for skills acquisition on computer operations including internet, public speaking, writing, human relations awareness, and economic independence should be encouraged among women entrepreneurs.
- The government should make the Nigerian business environment conducive for women to participate.
- That financial institution within Igueben Local government should intensify effort to create awareness of their existence in the community and clearly outline the procedure for acquiring loan and repayments.

Furthermore, to promote women entrepreneurship, the following measures have to be made at different levels of the economy (culled from [managementparadise.com](http://managementparadise.com), 2016).

- The first measure to solve the challenges faced by women entrepreneur would be to provide sound education, particularly vocational and technical education to the girls child. The school curriculum should be restructured to include accountancy, management, computer science, small scale industry, entrepreneurial development, etc. in addition, girls at the school level should be inspired to adopt entrepreneurship. Generally, women dream to become job seekers rather than job makers. Secondly, All possible access to information should be provided for women entrepreneurs. Government agencies, association of women entrepreneurs, NGO's and universities should assume responsibilities in this regard. Access to technology is low for women entrepreneurs. Due to lack of finance and information they cannot have proper tools and equipments to improve the product.
- Furthermore, government should be made to simplify the procedures, formalities, rules and regulation etc. in matters regarding registration and getting assistance from different departments and government agencies. Banks and financial institutions should offer 100% loans without collateral security to qualified technocrats. Similarly term loans and working capital loans should be sanctioned liberally on different terms.
- Finally, The Government should organized a number of workshops on Trade Related Entrepreneurship Assistance & development for the benefit of women entrepreneurs. This would seeks to empower women in rural & semi urban areas through development of entrepreneurial skill, elimination of various constraints faced by them & through strengthening trade support network ([managementparadise.com](http://managementparadise.com), 2016).

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