
The Changing Attitudes of Women Towards Entrepreneurship in Katsina State Nigeria

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ABSTRACT:

This paper examines the changing attitudes of women towards entrepreneurship in Katsina state. The objectives of the study are to: determine the factors responsible for the changing attitudes by the women in the state, assess the role of government in the promotion of entrepreneurship, assess the impact of entrepreneurship on the socio-economic lives of the women, assess the challenges militating the success of entrepreneurship and make suggestions on how to strengthen entrepreneurship amongst women. The data for the research was collected via administration of questionnaires to 200 respondents randomly selected in the state. The research findings indicate that there is an increase in the number of women engaged in private entrepreneurship, that many factors such as changing attitudes of their husbands, government support towards entrepreneurship, increased awareness of the benefits of entrepreneurship on their socio-economic lives are some of the motivating factors that pushed married women into entrepreneurship. The research recommends the establishment of a specialized bank for the funding of small-scale business enterprises, formation of cooperative society as a basis for assessing loans, loans guarantees by government etc.

Keywords: *Entrepreneurship, Married women, Specialized banks, Cooperative societies, Loans guaranteeing*

INTRODUCTION

Background to the study

The Nigerian's government since independence has promoted the development of entrepreneurship with the aims of promoting the socio-economic development of the nations. This resulted in the formulation of policies and establishment of financial institutions such as the establishment of National Economic Reconstruction Fund (NERF), people's bank, Family Advancement Economic Program (FEAP). More recently, the government of Nigeria introduced Sure-P and You Win, and so far, there are some few success stories as some women have started getting funds and starting small-scale businesses. All these initiatives were designed by government to provide venture/seed capital to those to individuals interested in establishing their private businesses in order to achieve poverty reduction and unemployment. However, according to Lister (2004), cited in Haralambos and Holborn (2009), there is a growing increase in trend of poverty amongst women, this is because women do not get a fair share of the total income of their household. More over, also affected

by structural factors i.e. their place at home, in the labor market, and the sacrifices they make for the benefit of others particularly their children etc.

Furthermore, mismanagement of government resources through crippling corruption and the politicization led to the failure of most of these micro credit policies and programs, the consequences had been increase in unemployment and poverty amongst poor people. Thus according Gender Nigeria Reports (2012), women makes 80.2million or (49%) of Nigerian population as at 2006 census, but they only hold 10% of the National income. This is in spite of Nigerian government commitment to the targets set under the United Nation Millennium Development Goals which included poverty reduction amongst the poor and promotion of global development partnership.

However, despite the obvious challenges facing small scale businesses (such as lack of funds, poor infrastructural facilities, customary beliefs and legal constraints in starting new business ventures as well as obtaining loans from banks), women are changing their attitudes by embracing the concept of entrepreneurship as a last resort to improving their socio-economic well-being. Various reasons have been provided by the women for this apparent change of attitudes towards entrepreneurship. This include the need to compliment the income of their husbands, to improve their living standard, to be gainfully employed etc., thus justifying the views of Herbert Spencer (1971) cited in Haralambos and Holborn (2009), where he blamed poor people for living in poverty because they are getting social welfare benefits especially in countries where social welfare benefits are provided by their governments, arguing however, that they would be forced to work hard to earn their living if such welfare payments stopped or they do not exist like in most developing countries of Arica and Asia.

The aims of the paper is to analyzed the factors responsible for the changing attitudes of women towards entrepreneurship and make appropriate recommendations on how to strengthen it, since it is a catalyst for poverty reduction, income and employment generation.

THEORETICAL FRAMEWORKS AND LITERATURE REVIEW

Concept of Entrepreneurship

The word *entrepreneurship* has been given different meanings by scholars over the years. The word was first used by the military during an expedition in the 16th century. However, the word entrepreneurship is now used to describe a person who engages in a business undertaking based on his creative thinking and innovation (Gartner, 1990; Gartner *et al.*, 2004) quoted in Mordiet *al.* (2010). This definition is in line with the views of those scholars who defined entrepreneurship from the economic point of view where they maintained that an entrepreneur is an innovator who creates a new product or service into the market/economy Schumpeter (1934). Therefore for an entrepreneur to succeed he/she must be innovative/creativity, have personal goals and ambition, have sufficient funds and other resources such as equipment and importantly provide leadership and managerial abilities to manage the enterprise Donnelly *et al.* (1990).

Entrepreneurship is not the exclusively dominated by men, as in recent times numerous women have taken into entrepreneurship across the globe for various reasons - complementing the income of their husbands, to achieve economic independence, and introduce new product into markets (Rohana *et al.*, 2013; Rutashobya&Nchimbi, 1999).

Characteristics of Women Entrepreneur

A woman entrepreneur is woman that established her own a private business based on her creativity i.e. introducing a new product into the market, getting the necessary funds, establishing the necessary business structures, risk taking and managing businesses on day to day basis not only for profit making but for the survival of the business as a “going concern” Lavoie (in Moore, 1990:276). In Africa the typical characteristics of a female entrepreneur is a woman with low level education from the family of rural peasant farmers and married to husbands who are employed in either formal or informal sectors, with no business experience, engages in business activities that tallies with their reproductive roles, engages in micro small businesses mostly at home (Rutashobya et al., 1999:212; Rohana et al. 2013).

Advantages of Entrepreneurship

Entrepreneurship offers various advantages to both the individuals involved in it and the society at large. Firstly, it emancipate women so that they can contribute their quota to the socio-economic development of their societies, it improves their economic and social status through poverty reduction etc. (Gurumoorthy et al 2000). Similarly, a study carried out by Rohana et al 2013 found that many women strive hard to get more income for household expenditures and make savings for their children’s education.

Challenges of Entrepreneurship

Entrepreneurship in spite of its obvious advantages to individuals and Nations particularly with regards to the UN the millennium development goals (i.e. reduction of extreme poverty, promotion of gender inequality and women empowerment, development of global partnership for development etc.) is facing many challenges. These challenges include role stress particularly on married women who have to discharge their roles as housewives/mothers in addition to the business activities Harinarayana, (1991); managerial constraints these includes lack of sufficient funding, difficulties in marketing the product because of stiff competition from big business ventures or international business companies as the world is now a global village etc. Nayyar et al. (2007); slow growth of the business enterprise from micro level to macro level because of family obligations ; psychological constraints such as lack of confidence, motivation, low vision ; lack of physical infrastructure such as roads, electricity, water etc.; lack of education and training; socio-cultural traditions; financial constraints; legal and regulatory constraint; and lack of business management skills. Financial constraints are due to several factors, for example, lack of education, lack of women’s lobbies, low employment levels of women, lack of collateral, lack of information about availability of loans, negative attitudes by banks and the need to use business earnings (Rohana, et al, 2013; Parker, Riopelle & Steele, 1995; El-Namaki et al 1998; Rutashobya et al, 1999:215).

Various Sociological Theories such as those of Marxist, weber, feminist etc. have been concerned with domination and class struggle over the control of scarce resources by different groups (i.e. between the rich and the poor, men and women etc.), within the social structures of the societies. Feminist theories have been concerned with an equal relationship existing between men and women by asking three questions: what about the women (where are they, what are they doing and what are their experience); why is all these as it is (explanations for their presents condition or status); what can be done to improve their

condition Ritzer (2011). Liberal Feminist theory argues that women domination and inequality is due to sexism, discrimination, sex- role stereotyping and socialisation, and that gender equality can be achieved by changing the existing systems and institutions such as law, work, family, education and media. This theory believes that all human beings have the same essentials features such as capacity for reasoning and self-actualisation, that they are capable of exercising these capacities if given equal rights, that inequalities existing between man and woman because of their biological differences and social constructions assigned to them by society have no basis in nature and finally social change to achieve equality can be achieved through the cooperation of members of the public and government through the transformation of existing systems of law, education etc., Ritzer (2011). Poverty intervention programs provided by governments around the World can be seen from the Liberal Feminist theory.

METHODOLOGY

The data for the research was collected via administration of questionnaires to 200 respondents randomly selected from different business ventures, from the 34 local government of Katsina state. In carrying out the research one set of questionnaire was used on the women and administered by the researchers in Hausa language (as most of them were not literate).The questionnaires were analyzed and the results presented in a table form.

DATA ANALYSIS OF WOMEN RESPONSES

Q1. What type of business are you running?

Table 1: types of businesses run by women

| Responses | Frequency | % |
|-------------|-----------|------|
| Production | 19 | 9.5 |
| Trading | 49 | 24.5 |
| Agriculture | 55 | 27.5 |
| Services | 77 | 38.5 |
| Total | 200 | 100 |

Table 1 above, shows that women are engage in various types of businesses. Majority of them (38.5%) are engaged in provision of services such as hairdressing, restaurants etc. this is closely followed by women who engage in agriculture (27.5%) such as poultry, animal rearing at home etc. while the least percentage of women are engaged in production businesses such as soap/pomade making at home, tea/drinks production etc.

Q2. What is the factors that motivate to change your attitude towards starting your business ventures?

Table 2: factors responsible for change of attitude of women towards entrepreneurship

| Responses | Frequenc y | % |
|--|---------------|------|
| To complement my husband's income | 67 | 33.5 |
| To take care of my family | 82 | 41 |
| To raise my living condition | 24 | 12 |
| To provide employment | 15 | 7.5 |
| To provide new product/service to the market | 12 | 6 |
| Total | 200 | 100 |

From table 2, above stated various reasons or factors are responsible for the changing attitude of women towards starting their private businesses –entrepreneurship. The biggest motivating factor been to take care of their family (41%), this finding however reaffirmed with the past study of Sidra et al. (2014) on factors motivating female entrepreneurs in major urban area of Punjab, where they revealed that majority of women start business to increase to family income and on personal interest. However, another reason was complementing of husbands income (33.5%) while the least is to introduce new product into the market. While, Bouguerra (2015), took different dimension to argue that what push Arab women into business or entrepreneur activities include independency, a source of employment etc. While, on a similar vein, in a study carried out in Ghana by Mumuni et al. (2013), regurgitated that women are sometimes force to take to business due to divorce; death of husband or breadwinner, or sometimes arise out of interest or desire. Likewise, Adeline et al. (2014), in study on constraints and motivational factors for Indian women entrepreneurs, found that majority of respondents (33.3%) reported that business idea were initiated from their own aspiration.

Q3. How did you raise your money to start business?

Table 3: source of funding for starting businesses

| Responses | Frequency | % |
|--------------------|-----------|------|
| Personal savings | 129 | 64.5 |
| Family support | 41 | 20.5 |
| Government support | 22 | 11 |
| Bank loan | 8 | 4 |
| Total | 200 | 100 |

Table 3 above, indicates that majority of the women use their personal savings to start a business venture (64.5%), this finding also confirmed with a study carried in Ghana by Mumuni et al. (2013), where they put forward that majority of women entrepreneurs start up business with own savings. However, followed by family support (20.5%), this finding also reiterate with a study conducted by Bouguerra (2015), on motives and barriers to business in the Arab world. While only, 11% and 4% get government support and bank loans respectively to start their businesses.

Q4. What problems have you faced?

Table 4: problems faced by women entrepreneurs

| Responses | Frequency | % |
|-------------------------|-----------|------|
| Lack of Funds | 97 | 48.5 |
| Marketing problems | 44 | 22 |
| Lack of infrastructures | 59 | 29.5 |
| Total | 200 | 100 |

From table 4 above, indicate that women investors encountered many problems in starting and running their businesses. These problems include lack of funds (48.5%), lack of infrastructures (29.5%), and marketing problems (22%). However, Bouguerra (2015). Mumuni et al. (2013); and Mambula, (2002) in their studies confirmed the existence of these problems. Furthermore, Mumuni et al. (2013) added that other major hitches facing women entrepreneurs includes gender disparity, cultural practices, technology, government regulations, external environment, as well as managerial skills.

Q5. What suggestions would you make to strengthen the development of entrepreneurship as a catalyst to poverty reduction and employment generation?

Table 5: measures to strengthen entrepreneurship

| Responses | Frequency | % |
|--|-----------|------|
| Government to improve on infrastructures | 47 | 23.5 |
| Government to protect small industries from foreign competitors | 37 | 18.5 |
| Government to give tax relief to small scale industries | 35 | 17.5 |
| Government and small scale industrialist to jointly established a specialized bank to provide seed capital to small scale entrepreneurs at a low rates | 81 | 40.1 |
| Total | 200 | 100 |

Various responses have been received on how to strengthen entrepreneurship as indicated in table 5 above. These include establishment of a bank jointly by the government and small-scale entrepreneurs to provide investable funds at low rate (40.1%), government to improve on existing infrastructures – roads, electricity/water supply, security etc. (23.5%). Others are government to protect small-scale industries from foreign competitors (18.5%) and government to give tax relief to small-scale industries as incentives (17.5%)

DISCUSSION OF FINDINGS

Neo-classical economic policies imposed on developing countries by IMF and World Bank, from the 80s to present times such as the structural adjustment programs, privatization of key government parastatals and liberalization of their economies due to globalization had resulted in high unemployment rates amongst their citizens. Additionally, it had led to high incidences of poverty, malnutrition, diseases, crimes, and drugs abuse particularly amongst women and youth. In order to cushion the effects of these unpopular government policies, the Nigerian government over the last three decades introduced various poverty alleviation program such as peoples bank, FEAP, SURE-P, YOUWIN etc. in order to encourage people to go for small scale businesses by way of providing funds- macro credit schemes. However, these initiatives largely fail to achieve their objectives because of stringent requirements in meeting the requirements before the funds are released to the beneficiaries; lack of infrastructure such as stable power/water supply, roads; insecurity and above all stiff competition from foreign companies' particularly Chinese companies who have somehow dominated African Markets with cheap but substandard goods. The resultant effects of all this on our investors is that majority number have to raise funds through personal savings to start their businesses (64.5%), and because of this in adequate funding majority of them are engaged in agriculture based businesses (27.5%) and service provision (38.5%) and not manufacturing that would provide employment to our teeming unemployed youths. Furthermore, local entrepreneurs are not operating optimally because of operational problems they faced such as lack of funds (48.5%), this finding confirmed with the studies of Bouguerra 2015 and Kargwill, 2012. However, lack of infrastructure reported in this findings as (29.5%) and marketing problems (22%) respectively, was reaffirmed by studies carried out in Ghana by Peter et al. 2014, Mumuni et al. 2013; Mambula, 2002). Therefore, in order to improve their operational efficiency the women investors are of the opinion that government should adopt certain measures such as improving infrastructures (23.5%), given tax relief (17.5%), protect small industries from foreign competitors through monetary and fiscal measures (18.5%). Above all establishing a bank that would be solely responsible of providing funds for small-scale industries in collaboration with entrepreneurs, such as Grameen Bank established in Bangladesh by an individual – Prof. Muhammed Yunus.

CONCLUSION

Harsh economic policies adopted by the Nigerian government now and in the past, corruption in the running of government business and bad governance by politicians have all contributed to the high prevalence of poverty and joblessness amongst women and youths in Nigeria. Poverty alleviation programs by the government have largely failed to achieve their intended goals for the same problem cited earlier. This therefore necessitated a change of attitudes

especially by women who before now are confined to the homes as wives, mothers and domestic servants to come out and embrace entrepreneurship by engaging in so many small scale businesses often times using finances they raised through personal savings etc. to start a business venture in order to support themselves and their families by complementing the income levels of their husbands as well as to be gainfully employed. “Necessity it is said, is the mother of invention”.

RECOMMENDATIONS

Since most of the Nigerian government, initiatives towards poverty alleviation were not successful due to a number of factors like politics, corruption and mismanagement; therefore, a new approach should be adopted. This should involve establishing a bank jointly small-scale investors and government based on the principles of Grameen Bank of Bangladesh and on the principle of Islamic financial system where investors can access loans based on sharing profit or loss with the bank. Nevertheless, a strong monitoring system must be put in place to ensure security of the funds.

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