

Problems and Prospects of Women Entrepreneurship in Nigeria: Insights from Four Case Studies

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Abstract

Women entrepreneurs like their male counterpart establish new businesses that create employment not only for themselves but for others also. They provide services and products to increase the wealth of their local and national economies (OECD, 2004). For instance, in the United States 6.4 million self-employed women provide employment for 9.2 million people (OECD, 2004). The purpose of this study is to explore problems and prospects of women entrepreneurs in Nigeria in which four case studies were adopted and analyzed. And study reveals that gender still influences the entrepreneurial landscape in Nigeria, as there are gender differences when it comes to access to resources for business start-ups and expansion, difficulties in getting credit and loans from banks despite the fact that there are various government funding programs. The study also reveals that women can still excel in entrepreneurship with hardworking, positive attitude and tolerance because all the four case studies indicate that hardworking, positive attitude and tolerance really help in that regard. The findings from the cases also reveal that husband's support and learning trade skills will help in women entrepreneurship.

Keywords: women entrepreneurship, problems, prospects, Nigeria.

Introduction

The world still maintains a traditional economic system despite advances made in the field of technology and business, but economic

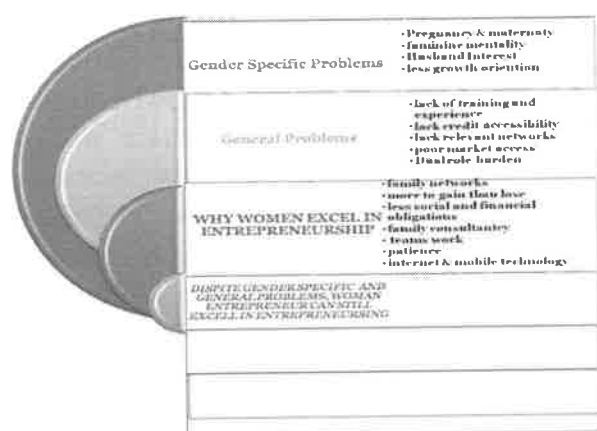
activities still deeply rooted in a male-dominant. In traditional society women are expected to stay at home and to take care of their families and that, they are not allowed to do any business to compliment their natural assignment of home management; because of the society's perception about women is that of weak regardless of their educational ability or career aspirations. Of late, economic system has begun to favour women who take active role in the business world. Various studies indicate that women entrepreneurship has a great potential to contribute massively to employment generation and economic growth in developing countries (OECD, 2004).

Theoretical Background and Conceptual Framework

To discuss distinctively about women entrepreneurship and entrepreneurs, almost all that has been said overtime about entrepreneurship is directly applicable to women entrepreneurs, more especially, the concept and characteristics. For instance, a woman entrepreneur is someone who recognizes business opportunity and starts her own, new and small business. There is no difference in characteristics between female and male entrepreneurs such as achievement, autonomy, aggression, independence and benevolence (Hisrich and Brush, 1984). However, women entrepreneurship is unique with regard to gender-specific issues. There is need to explain explicitly about women entrepreneurs with regard to gender specific and general problems they faced. It is also

important to discuss how women can excel in entrepreneurship. For instance, gender issue is usually a much stronger in hindering the potentials of female entrepreneurs. The following framework will illustrate gender specific and general problems of women entrepreneurship and equally why women can excel in entrepreneurship.

Figure1: Conceptual Framework of Women Entrepreneurship



Source: Formulated by the Authors

Gender-Specific Problems Face by Women in Entrepreneurship

- 1) **Pregnancy and maternity:** Pregnancy and maternity can be a barrier to women in starting and even to carry on with business, for examples, because of pregnancy; several women who considered starting their own business never started their own.
- 2) **Feminine mentality:** Some women are still having feminine stereotyped perception of self, which create lack of confidence and assertiveness to start their own business. This made women to be lazy in pursuing entrepreneurial career because they still believe in their natural assignment as home management because social expectations toward them are low in terms career aspiration.
- 3) **Husband interest:** Lack of interest from

husband limit women's involvement in business. The status of women in a patriarchal social structure such as Nigeria makes women dependent on males in their lives (i.e. husbands or fathers) and their lack of interest is a major disincentive to business start-up to any woman.

- 4) **Less growth orientation:** Women entrepreneurs are generally less growth oriented in the traditional/financial sense and to higher degree, they only seek to engage in self-employment rather entrepreneurial venture with growth focus.

General Problems Face by Women in Entrepreneurship

Apart from gender-specific problems faced by women entrepreneurs, they also faced general problems like their men counterpart such as i.e., lack of experience and training, credit barriers, lack of relevant networks and societal position and difficulty in time management due to family responsibilities (Jalbert, 2000; and OECD, 2004a). The details are explained below:

- 1) **They lack of training and experience:** In most cases, highly-educated women mainly choose salaried job rather than to be entrepreneur. Less-skilled women are relatively more likely to be entrepreneurs. Once they start their own enterprise, they have no access to management and technical training, which tends to affect performance of their ventures. Their productivity is hindered due to lack of knowledge in operating their businesses.
- 2) **They lack credit accessibility:** Generally speaking, women tend to seek small personal loans because, in general, they tend to start micro and small businesses. Banks do not consider small businesses to be worthwhile because of their slender profit margins. In the best case scenario, banks do not make much money from lending to SMEs, and in the worst case

scenario the SMEs fail and expose the bank to credit risk.

- 3) They lack relevant networks: Traditionally, women tend to have lower social position than men in the society which, affect the type of social networks available to them. This creates obstacle for them to have access to the critical resources, such as knowledge, technical know-how, financial support and information needed to establish and foster enterprises.
- 4) Poor market access: Poor market access often prevents any potential entrepreneurs from either starting their businesses. And poor access to market is key problem faced by women entrepreneurs as they lack adequate knowledge of market trends due to competing demand of their time between household and business.
- 5) Dual role burden: For women entrepreneurs, there is a competing demand for their time between household and business management. Women are more prone to inadequate time to develop either their entrepreneurial skills or their businesses due to many domestic errands and raising children. Consequently, they do not have enough time to meet with institutions and banks for advice and information on credit, and equally to attend training programs to acquire skills or attain market information about potential customers, suppliers and government supportive programs.

Why Women can Excel in Entrepreneurship

Despite the above mentioned problems faced by women entrepreneurs on individual level, women entrepreneurs tend to be highly motivated, focused and competent in finance, and have strong interpersonal skills (Jalbert, 2000). Women entrepreneurs can excel in entrepreneurship due to the followings:

- 1) Family networks: Women as the "official" holder of the family can easily understand customers' needs/wants and in any way be able to derive new business ideas from their experience as consumers. As leaders of households, they are always responsible for needs and requirements of the family and as such they can easily understand the gaps and take advantage of that.
- 2) They have more to gain than to lose: Traditionally, women are supported by their husbands or fathers to tackle their basic needs/wants. In many ways, it allows them to take on risks and new challenges because they have more to gain than lose in terms of career opportunities.
- 3) Less social/financial obligations: Low social expectations for women with regard to social and financial obligations for their families give them opportunities to tackle challenges without feeling pressure. This is because in most cases men typically bear responsibility with regard to social and financial obligations for their families.
- 4) Family consultancy: Women entrepreneurs can be successful by balancing their family and at the same time business management. They can use their family members as consultants and sparring partners to succeed. Normally, women entrepreneurs in small business receive considerable family support at start-up and in the course of running their business. Such support is, however, very important in their success.
- 5) Team work: Women tend to work more in teams with their relations and friends than men, which could allow them to easily create their niche market in their nearest surroundings within their personal families, and friends' networks.
- 6) Patience: women are more patient to earn little than men. This helps them to sustain their business overtime with little earnings.
- 7) Internet and mobile technology: mobile and

internet technology has made life easier for everyone. It has become a convenient business tool for people. They have not only addressed urgent business challenges but also create platform to increase access to new markets and operate more efficiently. These days, women operating from home base businesses can utilize both mobile technology and internet to manage their business from their homes.

The Case Studies for analysis of Entrepreneurship in Nigeria

The case of Terese Mbama

Terese Mbama is the Chief Executive of RealWood Ventures, which specialises in children's furniture. Her career started by working in places like former Citizens Bank, KPMG, Lagos Business School (LBS) and she resigned from LBS and set up a consulting firm Kodec Connect Consulting Ltd, which focuses on training and recruitment of support staff, research and corporate events management. She has the passion to improve and change lives and the best way is to get into a profession that can provide the platform hence RealwoodWorks Ltd has come to play which focused on carpentry business.



Her mindset for entrepreneurial career on carpentry business started, while she was in UK for studies her project centered on poverty alleviation and a value chain using cottage industries as case study. And later, she designed a CSR project that focused on using artisans to generate values for a furniture company in UK. More so, when she returned to Nigeria after her studies, she was in need of a colorful table and chair for her son, but couldn't find one. Afterward, she recognized that most furniture

makers in Nigeria do not pay attention to children's furniture when it comes to safety. She determined to research more in this area and found a gap in the furniture business, and therefore she mobilized a group of carpenters and employed some to start furniture business with niche in children furniture. That is the beginning. She becomes successful because: first her positive attitude all the time, tolerance and keeping to promises of quality to client services, second, she takes her time on every design to ensure it is innovative and satisfying to clients and third, her ability to organize and manage the workers successfully despite their shortcomings. As such, she is always proud of her carpentry business because she brought modern styles into the Nigerian carpentry business and as a professional, she is respected for any work she do. She manages her family and business together successfully by blending her family life with her business career. It has been wonderful that her husband has been supportive in this regard, because she and her husband have worked out the strategies that give each the attention it deserves which does not make them interface. According to her, it is a perfect blend and it is working perfectly well.

Her success is not without challenges. She is of the opinion that as a woman entrepreneur, the major challenge she has is to get workmen or women to see carpentry as an avenue for them to explore, because most people see carpentry idea as one that should be for drop-outs or people who are not literate for a white-collar job. Getting the support of financial institutions is also a big challenge because banks do not believed a woman can drive a carpentry company in Nigeria and succeed. But there is saying that 'what a man can do, a woman can do better,' just be positive. However, she solved her funding problem to some extent by winning "YouWin" competition (a government's SMEs grants competition). She comes to know about this competition from her sister-in-law, who saw advert on paper about "YouWin initiative"

of Federal Government of Nigeria and informed her, so without wasting time she logged into their website and completed the questionnaire and finally won. Eventually, she advised women that nothing is fair in life and women should brace up and do their thing. For every woman out there, even the sky is not her limit; she can do much better by finding her passion and pray about it. If you are married, then, work it out with your husband and if you are not married drive it with passion to succeed. And she is of the opinion that in Nigeria we should have more vocational and technical schools focusing on women that are interested in carpentry and related businesses.

Source: Daily trust newspaper of 06 December 2014, available at <http://www.dailytrust.com.ng/weekly/index.php/business/18359-i-ve-brought-a-woman-s-touch-to-carpentry>

A case of Mrs. Mary Ebunoluwa Ewedemi

Mrs. Mary Ebunoluwa Ewedemi is one of such women who started her business with just N300 and grown it worth over N50 million. As a child, she used to wake at 3.30am to start working. "I had no time to rest". It wasn't easy, it was so challenging. But she was very smart and active to learn trade from her mother's friend who took her to sell flour for her younger sister, in which she spent two years to learn trading from her. Then, she went on to establish her own venture and started selling Semovita (Milled Corn) in Daleko Market (Mushin) Lagos, Nigeria. She was the first person to sell Semovita in that market. She used hard work to succeed in her business as she used to tell her children to work hard so that they enjoy later. When she was a young at the age of 18, her parents used to give her pocket money, but, she ensured that she saved as little as she could. But her friends used their own to buy clothes, but she used to save hers and if she wanted to buy clothes at all, she bought used clothes. That was what she used to start up as her seed capital, plus the money she received from friends when she had her first child. She got married in 1985 at about 21 years

old. Her husband has been so supportive, in which only 10% out of hundred men can behave like her husband. What matters more to him is to see that his wife is doing well. Her mother was quite supportive as well as she always encouraged her to stay in my marriage despite all challenges of being entrepreneur. Earlier in the business she had faced with financial challenges that she could not afford to even hire people who used to help in carrying the goods she bought because there was no money to pay them.



Fortunately, over time she becomes one of the leading distributors of Nigerian Flour Mills products. They are in a group of seven distributors, but, she is their coordinator despite, she is the least buyer among the seven. She on this leadership because she is very active, she never be lazy, and believed that once you are hardworking, God will lift you. Due to this position the remaining six distributors have really battled her, many even confronted her, challenging why she should be coordinator of the depot since she buy the least quantity of

goods. But, the management of the company considered her very capable to coordinate their depot. As such the remaining distributors could not succeed. Despite, all the challenges she faces, she is really priding because today her business has become great worth over N50 million, a venture she started with just N300. She sponsored her children to various private universities in Nigeria and also sponsored one to Canada all from her Semovita trade. She had a lot of landed properties that she bought from proceeds of her business. She thanked God because she believed everything comes from God and also hard working. Finally, her advice to women is that any woman without endurance cannot last in our present day society. She said, women should not to be lazy because if they don't work hard, they can't excel in anything.

Source: THE SUN NEWSPAPER of April 12, 2014, available at <http://www.lagosstatenews.com/news/my-business-of-n300-now-worth-over-n50-million-daily-sun>

A case of Folorunsho Alakija: The Richest Black Woman in the World

She started her working career in 1974 as a Confidential Secretary at Sijuade Enterprises, now-defunct International Merchant Bank of Nigeria, one of the West African nation's earliest investment banks. She started her entrepreneurial and business career in the 1980s when she quit her job out of frustration because she was refused promotion on the ground of low education and new intake were being placed above her. She went on to study Fashion Design in England and after studying fashion design in England, inspiration and zeal she had in mind to be on her own, made her to established a tailoring company known as Supreme Stitches and recorded immediate success because precisely three weeks after she formally launched her label, "Supreme Stitches", she won a national award as the Fashion Designer of the Year 1986 and from then on, she continue risen to prominence and fame within a few years and later the name of her business was

changed to Rose of Sharon House of Fashion, which has become a household name in Lagos. This has come to her because people at that time liked her designs, because they usually came with unique creativity. The prominence of this company made her to be National President and lifelong Trustee of the Fashion Designers Association of Nigeria (FADAN). This new leadership made her to use her business and be promoting Nigerian Culture through fashion and style. She recorded these successes because when passion is involved in whatever activity you are doing, struggle becomes less. Though, she is not currently designing clothes anymore, but fashion will always continue to be part and parcel of her life because it is something that she love and care for. She was successful as a woman entrepreneur and as a richest woman in Nigeria. This became reality as she was able to merge her business and family life together and gives any one its own time. According to her, she always cooks for her husband and her children because a woman must always remember that she must not depart from her kitchen and family affairs.



More so, her biggest breakthrough came from oil industry with establishment of Famfa Oil and Gas Limited in May 1993. Her idea of oil business came into being in the 1990s, during a discussion with a friend who used to buy clothes from her overtime. After getting the idea, she had started by getting involved in a deal to purchase an oil block, in which after three years, she was allocated an oil bloc which many people were reluctant and uninterested about at that time. This is because it was Deep Offshore, of over 1,500 meters deep and very expensive to explore. After getting the oil bloc she approached Texaco company a multi-national

oil company late in 1996. And after discussion of three months, her venture signed the joint venture agreement with Texaco and the two companies started exploration of oil in commercial quantity, and from there and then she considered herself very lucky. That was how FAMFA Oil was born. She and her husband and their four sons are all heavily involved in the business of FAMFA Oil. Folorunsho Alakija has an estimated net personal fortune of \$7.3bn from oil and gas which made her to be richest black woman in the world and fourth richest person in Nigeria according to Forbes Magazine 2015.

Source: Profile of Folorunsho Alakija available at www.forbes.com/profile/folorunsho-alakija/ and www.nairaland.com, Forbes 2015 reports available at <http://www.forbes.com/profile/folorunsho-alakija/>, and <http://www.ventures-africa.com>.

A case of Hafusar Bello

Hafusar Bello, a 22-year-old weaving student at the center of Women Development Paikoro, Niger State Nigeria. She attends classes while

carrying her baby on her back. She said, "It's difficult to balance my time between studying at the centre and duties at home, but it always make me happy when a piece of clothing I'm working on comes out as planned,"



She says. "I have the support of my husband, and learning a skill will help me provide support for our family." Like Bello, most students are in their twenties or late teens and cite a shift in societal norms allowing women more opportunities to work as a motivating factor in coming to the center to study. This case of Mrs. Bello indicates how possible for mothers to take courses and engage in entrepreneurial career while looking after their children.

Source: JICA'S WORLD September 2014

Table 1: Insights from the Case Studies

Cases	Motivations	Challenges	Platforms of success	Dual role strategies
Mary Ebunoluwa	Urge from childhood	Funding Long working hours Marriage Codistributors	Prudence Husband support Mothers support Trade skills Hardworking Smartness	Combined the two
Terese Mbama	Passion Education Market gap	People's mindset Financial support	Innovative products Workers management Positive attitude Tolerance Keeping promise to customers Husband support Education You-Win funding grant	Worked out strategies of no interference
Folorunsho Alakija	Frustration from salaried job Education Passion Inspiration & zeal	Lacked of capability	Unique creativity Education Joint venture agreement Husband support	Combined the two
Hafusar Bello	Entrepreneurial course Husband support	Dual role burden	Trade skills	Combined the two

Source: developed by the authors from the case studies

Analysis from the Case Studies

From the case studies, it can be appreciated that women entrepreneurs are really successful, despite the challenges they face in the pursuing their entrepreneurial career. This can be evident from the data collected for the cases. Mrs. Mary Ebunoluwa Ewedemi started her business with just N300 and grown to over N50 million, which is a great success. Despite her phenomenal success, she faced various challenges in finances, marriage, and challenges from her co- distributors, waking up at 3.30am to start working. Despite no support from her care free husband; hard work and prudence resulted in her achieving this success. She emphasizes the importance of learning skills in trade for women entrepreneurs.

The passion to improve and change lives of people made Terese Mbama, chief executive of Real Wood Ventures to get into a business of children's furniture. Her carpentry skills obtained from her education in UK in which her project was centered on poverty alleviation and a value chain using cottage industries as case study; and later, she designed a CSR project that focused on using artisans to generate values for a furniture company in UK influence her interest into furniture industry in Nigeria with RealWood Ventures. And she conceived the idea after she was in need of a colorful table and chair for her son, but couldn't find one because most furniture makers in Nigeria do not pay attention to children's furniture. From then, she mobilized a group of carpenters and employed some to start furniture business with niche market in children furniture. With regards to the challenges she faces as a woman entrepreneur, is to get workmen or women to see carpentry as an avenue for them to explore, has being her biggest challenge because most people see carpentry idea as one that should be for drop-outs or people who are not literate for a white-collar job. Getting the support of financial institutions is also a big challenge because banks do not believe a woman can drive a

manufacturing company in Nigeria. She achieves successes for the fact that she takes her time on every design to ensure it is innovative and satisfying to clients and equally her ability to organize and manage the workers successfully despite their shortcomings. Another factor that made her to succeed is having a positive attitude all the time, tolerance and keeping to promises of quality to client services. With regards to combine entrepreneurial career and home management, she said her husband has been supportive, because she and her husband have worked out the strategies that give each the attention it deserves which does not make them interface.

Folorunsho Alakija, the richest black woman in the world has her personal fortune worth \$7.3bn from Nigerian oil and gas. She started her career in 1974 as a confidential secretary at Sijuaade Enterprises and in 1980 she resigned out of frustration because some have been promoted above her. Therefore, her entrepreneurial career started after studying fashion design in England and came back to Nigeria. On her returns, she established tailoring company known as Supreme Stitches, out of her passion, inspiration and zeal to be on her own and within a few years, the venture rose to prominence and fame because people liked her designs as they usually came with unique creativity. She recorded this success because she has strong passion in fashion design and equally her education in fashion design in England helps her in this regard. But despite her success in fashion design, her biggest breakthrough came from Nigerian oil industry. According to her, she first got the idea of oil business in 1990 from discussions with her customer who used to buy her fashion designers. She purchases an oil block in 1993 and established Famfa Oil and Gas Limited and goes into joint venture agreement with Texaco multinational company as she lacked capability in oil exploration then. The two companies started exploration of oil in commercial quantity in 1996 that was the beginning of her fortune. She manages her

entrepreneurial endeavour and household management together because she was able to merge the two together and gives any one its own time. She always cooks for her husband and her children because a woman must always remember that she must not depart from her kitchen and family affairs. Hafusar Bello as woman entrepreneur also indicate how women entrepreneurs find it difficult to balance between entrepreneurial career and duties at home as she always carrying her baby on her back, while attending classes to acquire skills for her business. But, she is always happy when a piece of clothing she works on comes out as planned. Mrs. Bello indicates how possible for mothers to take courses and engage in entrepreneurial career while looking after their children.

Conclusion

From the literature numerous studies have revealed the various problems and prospect of women entrepreneurship. The purpose of this study is to explore problems and prospect of women entrepreneurs in Nigeria in which four case studies were adopted and analyzed. And study reveals that gender still influences the entrepreneurial landscape in Nigeria, as there are gender differences when it comes to access to resources for business start-ups and expansion, difficulties in getting credit and loans from banks despite the fact that there are various government funding programmes. This can be evident from the case of Terese Mbama, the chief executive of RealWood Ventures, who said getting the support of financial institutions is a big challenge because banks do not believe a woman can drive a carpentry company in Nigeria. The study also reveals that women can still excel in entrepreneurship with hardworking, positive attitude and tolerance because all the four case studies indicated that hardworking, positive attitude and tolerance really help in that regard. For instance, Mrs. Mary Ebunoluwa Ewedemi is of the view that as a woman entrepreneur once you are

hardworking God will lift you. The findings from the cases also reveal that husband's support is paramount because all the four cases reveal that. And the cases also indicate importance of skills acquisition in women entrepreneurship. Hafusar Bello for instance, revealed that she was even attending classes to acquire skills for her business despite the fact she is having a baby. Mrs. Mary Ebunoluwa Ewedemi indicates the importance of skills acquisition for women entrepreneurs because she learnt trade skills from her mother's friend for two years before she start her business which made her succeed. Folorunsho Alakija also indicate the importance of education for women entrepreneurs as her education in fashion design from England helps her to come up with unique creativity in any fashion design she produce which made her to succeed. Moreover, Terese Mbama's education in UK in which her project centred on poverty alleviation and a value chain using cottage industries help her in establishing her venture in furniture industry. It is not rumor that all entrepreneurs are bound to face challenges, but women apart from general problems, they face additional challenges that are gender-specific as we can see from the conceptual framework and cases. The four cases indicate that they all simultaneously run their families and their businesses despite the fact that is very challenging.

Implications

That married women should be given support by their husband in respect of finances, motivational encouragement, advice and actual involvement in the running of business for them succeed.

- That government should provide loan and credit to women entrepreneurs at the level of micro and small-scale enterprises and should be facilitated through arrangements that go beyond the conventional approaches which require collateral among other conditions.

- That government should set up programmes for women entrepreneurs on capacity building and training in functional areas such as finance, literacy skills, marketing, production and managerial skills.

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