

DETERMINANT FACTORS AFFECTING WOMEN SOCIAL ENTERPRISE PERFORMANCES IN SOKOTO STATE, NIGERIA: A PILOT STUDY

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ABSTRACT

There has been enormous research on factors influencing women social enterprise around the globe. Up to date there is scarcity of such study that aim to address issues related to performance of women social enterprise in Sokoto state, Nigeria. Hence this study aim to present the outcome of the pilot study conducted in Sokoto on research focusing on the performance of women social enterprise development in the state. Research Variables were adopted based on relevant literature in the related area of research and subjected to pilot study. The pilot study was necessary to ensure clarity, readability, face validity as well as reliability of the adopted variables and items under the variables. It is concluded that the variables adopted for the research have good internal consistencies

Keywords: Women entrepreneurs, performance, reliability, Nigeria.

INTRODUCTION

The contribution of women entrepreneurs in various economies cannot be underestimated, women have relentlessly contributed to various economies around the world. Women entrepreneurship development has become essential to any economy which strives to achieve growth in its economic development. Hence, any obstacle that tends to impede such development requires serious attention. Nigeria is being recognize as the largest economy in Africa, this is no surprise as the country is blessed with abundance of both human and mineral resources. Notwithstanding this, of equal concern is that about more than half population of the country lives in poverty. According to National Bureau of statistics (2010) 69 percent of the population live in poverty (56.6 percent live below \$1/day). Sadly, the enormous amount of money accrued from its wealth of resources i.e. Petrol products, was never transformed into any meaningful socio-economic development, demonstrating high-level of corruption in the system (Dele and Isiaka, 2009).

According to Abdussalam et al (2013) women represent the major victims of poverty in the country, quite noticeable in the northern part of the country. Thus, the reason why some of them have decided to venture into small scale business to earn a living and directly fight the incident of poverty on them. Despite such commendable strategy initiated by women to combat poverty, low business performance remain an issue to overcome in order to achieve their objectives. This study view that by identifying the major factors impeding women entrepreneurs performance, accurate solution can be proffered that will permit the women entrepreneurs to excel in their business objectives, thus alleviate the incident of poverty on them as well as contribute actively towards the economic development of State. Importantly, it will also diminish the socio-cultural notion that women shouldn't involve in business activities.

FACTOR INFLUENCING WOMEN SOCIAL ENTERPRISE PERFORMANCE

Many studies have tried to address the issues regarding women entrepreneurs in many countries, taking into account various factors that could affect women entrepreneurial performance. For instance Miri et al. (1997) study factors affecting women entrepreneur's performance in Israel, using social learning theory, motivational goals, human capitals, networks, demographics, environmental factors as their independent variables. Their findings reveals that finance, managerial skill, motivation and goals, network affiliation has significant influence while educational level, previous experience has no correlation with performance of women entrepreneurs in Israel. They concluded that theories of entrepreneurship used in the OECD countries should be carefully re-examined before applying it in the Non-OECD and third world countries as difference in culture, work, family, social life are likely to affect motivation and human capital influence on business performance.

Wendy and Siong (2007) investigated factors influencing women entrepreneurs' performance in Malaysia. They examined variables such as individual characteristics, management practice, motivation and goal, networking and entrepreneur orientation. Their findings shows that experience, size and sector, management skills and competency are needed to develop appropriate skills which will not only enhance women entrepreneurs' performance but also in starting up and sustaining their business in long-run.

There is concern that majority of the literatures mostly focus on developed countries such as USA, Israel, and UK where the economy is relatively stable. This is in stark contrast to the dearth of research works that focuses on the developing countries such as Nigeria. As such, it is assume that required knowledge in this field is still insufficient, thereby leaving a gap. In the Nigerian context and Sokoto in particular, there is less studies on women entrepreneurship performances. Notable literatures in this field include (Anayo, 2008; Okafor, 2010; Larossi and Clarke 2011;Koko, 2013; Otunaiya et al, 2013; Balogun et al, 2014). Nigeria is one of the countries with lowest shares of female entrepreneur's participation in Sub-Saharan Africa according to Larossi and Clarke (2011). They noted that, women are most found in retail, garment, and other services such as hotel and restaurants and that electricity and finance remain the major constraints faced by both female and male entrepreneurs. Their work focus on opportunities and constraints faced by women entrepreneurs in Nigeria. Their work fail to address themain factors influencing the low performances of the women entrepreneurs. Issues not well covered include; what is the current source of finance for women doing business, in the case where current financing mode has failed? What alternative source of finance is available? Is there any prospect for Islamic finance? Do they have any entrepreneurship skills or educational background? What are the various cultures and religious believe in these states they have surveyed? Nigeria being a multicultural society, all these factors has important role to play in daily business environment. These issues not address in their work leave a gap and will be address in this current work.

Otunaiya et al. (2012) studies women entrepreneur's opportunity and constraints in Lagos, Nigeria. Their finding reveals that lack of business location and finance is a major constraint to women business performance in Lagos. For Sokoto state in particular, Koko (2013) studied capital access strategies and enterprise growth among selected women entrepreneurs in Sokoto Metropolis. Her study focus on capital access strategies employed by women entrepreneurs in Sokoto and business growth. Issues not covered in her work include human capital, networking, social norms and religion. However to compliment such gaps, this studies has taken into consideration six different factors in order to examine their effect on

business performance of women entrepreneurs in Sokoto. This factors which include human capital, social norm, religion, networking, finance and demography has been found to have influence on performance of women entrepreneurs in various studies in different countries (Dolinsky et al., 1993; Rajesh and Sinha, 2010; Syed, 2011; Aldrich et al., 1986; Kamal et al., 2009). Selected studies on women entrepreneur’s performance in different countries for the purpose of comparison among nations were reviewed in this study. The literatures summarized reveal that various factors could contribute to low business performance of business women in different countries. These factors include social, economic, Government policy, Religion etc. Thus, the researcher has seen it necessary to explore these selected factors in relation to the current business performance of women entrepreneurs in Sokoto state. With the view of recommending long lasting solutions to the problems identified.

THEORETICAL FRAMEWORK

Performance is perceived as vital to the survival of small businesses in general, yet the issue of small business performance, especially among women owned business has received less attention from researchers than it warrants (atkin et al., 1993). Traditionally, small business performance has been measured using financial ratio variables as explanatory variables. The financial variables that are commonly used include return on investment (ROI) return on asset (ROA), profits, cash flow and sales growth (Altman, 1968; Barth et al 2001). However, performance can be appraised at macro or micro level of analysis, thus this research chooses the micro level of analysis at SME level.

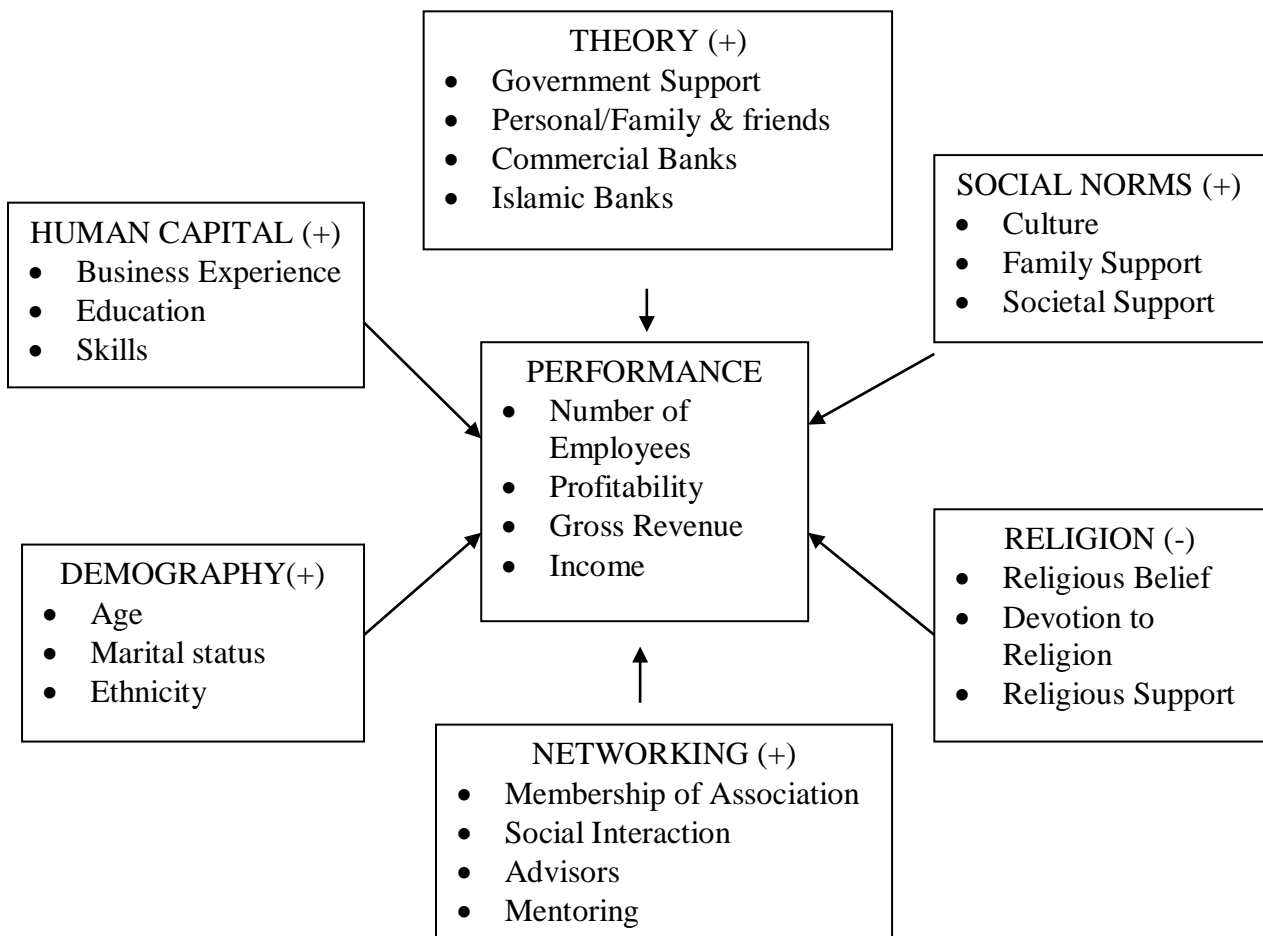


Figure 2.3: Research Model

This approach offers privilege to discover robust data by survey with women entrepreneurs regarding their businesses and their characteristics. To be more specific, performance in this study is measured by business size, profitability, gross revenue and income. Underpinned by human capital theory and social norms theory, religion theory, Network and small firms financing theory, the relationship between performance and selected variables proxies to each of the theory are also operationalized.

Human capital theory is proxies with three variables (business experience, education and skills), social norms is represented by three variables (culture, family support and societal support), religion theory has three variables (religious belief, devotion to religion, religious support), networking theory is represented by four variables (membership is association, social interaction, advisors and mentoring), small firms financing theory is represented by (government, personal, commercial banks , Islamic banks). The positive(+) and negative (-) signs indicate what is the expected relationship of the variables with the performance of women in business. Research model is shown in above Figure 1.

The above research model for this present studies (Figure 1.1)is underpinned by six theoretical perspective which include human capital, social norms, religion, networking and finance which is believe to be associated with the women entrepreneurs performances in Sokoto State. The research model is adopted from the work of (kalsom, 2004). The researcher has viewed it necessary to take into consideration other additional external factors such as culture, religion and finance which has tendency to affect women business performance in a none-OECD country like Nigeria with multi-cultural and religious belief. External factor such as religion and Social norms has been found to have strong effect on women owned businesses in countries like Saudi Arabia and Oman despite their economic stability (Syed, 2011; Gerard& Rahma 2003).

METHODS

Pilot- Testing

It is essential to conduct pilot test in this study. This is to satisfy the reliability of the adopted questionnaire used for the main study prior to final data collection. It is essential in the sense that it would assist the researcher to detect problems of understanding, questions clarification, ambiguous wording, as well as duration of time required to complete each questionnaire by each respondent. Some observation from the respondents were noted down with regards to questions ask in the questionnaire, thus will be helpful to the researcher. For the pilot test, 40 copies of the questionnaire were given out to female entrepreneurs in Sokoto, out of which 30 copies were successfully answered and returned. The respondents for the pilot test were selected separately from the total sample, which means that they do not form part of the main sample for the final questionnaire prior conducting actual survey for the main studies. Confirmation of face validity was ensured through peer-review and consultation of expert in the field. The research supervisor was also consulted to ensure face validity is accurate. To ensure readability and the use of correct wordings, questionnaire was subjecting to English language editing by editing experts.

Reliability

To estimate the internal consistency of variables in the current study using Cronbach's alpha value (70).

RESULTS

Table 1 below summaries the pilot test carried out by the researcher, the study reliability coefficients of the scales/variables is equal to or above .70.

Table 1 Reliability Values for Pilot Test (n=30)

<i>Variables</i>	<i>No of items used</i>	<i>Cronbach's Alpha</i>
Business performance (BP)	7 out of 8,1*(ie8)	.769
Human capital (HC)	7 out of 7	.750
Social norms (SN)	5 out of 5	.755
Religious believe (RB)	7 out of 7	.756
Network affiliation (NA)	7 out of 7	.765
Source of finance (SF)	12 out of 12	.878

Source: Researcher's computation

NB: *number of item(s) removed/dropped from the scale/variable

From table 1 above, the result of the reliability of the scales/variables runs for the pilot test indicates that all the variables taken into consideration for the purpose of this study have good internal consistency, having received Cronbach's alpha coefficients above the considered acceptable value of .70 (Pallant, 2005;). Though, item(s) in some variables have to be removed / dropped before we arrived at their acceptable Cronbach's alpha above .70.

CONCLUSION

The variables proposed for this study are confirmed to be good for the final research study, as proven from the result the pilot study, the items used in measuring them had good internal consistencies. The factor analysis could not be carried out due to limited respondents, as the latter requires large amount of respondents. This could be achieved in the final study.

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