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## **Gender Responsive Entrepreneurial Economy of Nigeria: Enabling Women in a Disabling Environment**

By May Nwoye<sup>1</sup>

### **Abstract**

Growth and development are among the most exciting subjects in economics, and the application of their principles to developing countries especially the African economies, is both needed and timely. In Nigeria, women have historically been disadvantaged in accessing not only material resources like property and credit, but also have been deprived of resources like education, market information and modern technology. All of these factors have negative implications for the type of enterprises that women are engaged in. This paper highlights the various economic constraints faced by women in Nigeria, as a result of limitations imposed on them by nature and culture; It calls for removal of gender-related obstacles in order to facilitate the creation of enterprises by women, as well as improving their general education, and entrepreneurial skills. The paper argues that gender imbalances in access to education and productive resources have important implications, not only for equity, but also for economic output, productivity, food security, fertility, and child welfare. It further recommends gender-specific activities and affirmative action, whenever women are in a particularly disadvantageous position. The paper concludes that mainstreaming gender into budget and policy design will provide women access to support services they require to develop the necessary confidence, explore alternative business ideas and entrepreneurial strategies that will stimulate, not only the Nigerian economy, but the people's way of life.

*Keywords:* Entrepreneurial Economy, Nigeria, Women and economics

### **Basic challenges**

Nigerian women, like their counterparts in other parts of Africa traditionally have multiple responsibilities as mothers and producers and therefore tend to engage in activities that are home-based and less risky. These have negative implications, as low risk activities are often those, which produce limited returns. The reduced physical mobility of many of the women who operate in this category also often prevents them from seeking out information on better economic opportunities. Generally however, the self-employed earn less than their counterparts in paid employment (U.S. Small Business Administration (1997). Although many people chose self employment because it seems to offer them greater independence and flexibility, Nigerian women who engage in micro and small enterprises started their businesses to overcome gender discrimination and economic disadvantages including the challenges of poverty and its consequences. Hence these groups of entrepreneurs find it more convenient to engage in the trade and service sectors and have low representation in the small-scale manufacturing sector. A situation that is attributed to factors such as: low levels of education, lack of opportunities for training; as well as meager financial and human capital. Some of the driving forces behind them starting a business include: household subsistence needs: like food, clothes, education of children, unemployment; family pressures on girls to earn their own living

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among others. Invariably, these women are naturally entrepreneurial by their active handling of risks and uncertainties in order to meet the challenges imposed on them by unequal access to socially and economically valued goods, opportunities, resources and other rewards. However, in the long run, the equal participation of men and women in these matters depends on strategic measures, that is, policy and institutional changes needed to tackle the root cause of gender inequalities and remove the constraints to women's involvement in economic development.

### **Objective**

The main objective of this paper is to raise consciousness among policy makers, investors, bankers, women and men in Nigeria, to the fact that women's entrepreneurship represents an untapped reservoir for job creation, economic growth and social cohesion. The paper also seeks to suggest that official steps should be taken towards incorporating gender budgeting in the policymaking process and determining appropriate measures for strengthening women's participation in making Nigeria an entrepreneurial economy.

### **Conceptual Issues**

Gender relates to concerns, capabilities, societal roles or other differences and divisions between women and men, especially the relative weight of biological and physical difference as distinct from culture and socialization as a cause of those distinctions. The United Nations Economic and Social Council (ECOSOC 1997), defined the concept of gender mainstreaming as the process of assessing the implications for women and men of any planned action, including legislation, policies or programs in any area and at all levels. It is a strategy for making the concerns and experiences of women as well as of men an integral part of the design, implementation, monitoring and evaluation of policies and programs in all political, economic and societal spheres, so that women and men benefit equally, and inequality is not perpetuated. The ultimate goal of mainstreaming is to achieve gender equality.

Entrepreneurship refers to the qualities and characteristics normally expected of a successful entrepreneur. It includes perception of new economic opportunities, taking initiative, creativity and innovation, the ability to turn a given resources and situations to practical account and acknowledgement that failure is possible. Entrepreneurship development on the other hand refers to training and other support services incorporated within a structured program, designed to assist individuals and groups interested in becoming entrepreneurs and starting small businesses. Gender mainstreaming in an entrepreneurial economy is therefore the activities specifically designed to promote equal access by women and men to economically valued goods, opportunities, resources and rewards, including those that address access to loans, credit, raw material, information and technology.

### ***Gender Issues in Participation***

The equal participation of men and women in policymaking, economic and sectoral analysis, project design and management can be impeded by cultural and legal constraints tilted against women's involvement, and relative lack of time caused by their workload and multiple roles. Women entrepreneurs are more likely to use part of their

profits to encourage social activities (especially in education and health). Employed women typically use their wages to clothe, feed, educate their families, and transform their communities.

Nigerian women as a group of social actors, have tremendous capacity of human resources Nwoye (2002). If participatory development is to benefit from women's contributions and meet the particular needs of women, a range of strategic and practical measures must be taken to overcome the barriers limiting their progress. And overcoming these systemic biases requires a proactive approach. Experience in participatory development has made clear that, specific steps must be taken to ensure the equal participation of men and women, where women are often excluded.

### **Entrepreneurship as a model factor of development**

Societies that have studied and applied entrepreneurial economy, such as Japan, Australia and some South-Eastern Asian countries, are witnessing an unprecedented economic growth. These countries have moved from a traditional economy, characterized by paternalism or domestic management to a dynamic, innovative, future-oriented and entrepreneurial management. Entrepreneurship as we know constitutes a discipline, a set of knowledge with principles, practices and methods. Nigeria can learn the theories of entrepreneurship and practice them. The important principles that can make the difference in implementation include the following:

1. The purposeful and systematic entrepreneurial activity for women and men can begin with the analysis of the opportunities which needs a plan, a vision and a goal.
2. It requires the mastery of the product, the service or the environment. But, to achieve this principle, one has to work hard, to acquire knowledge, to face the risk and uncertainty and to search for change and opportunities.
3. Innovation can occur by exploring the following sources: unexpected success, failure or event occurring in the environment; new needs; change in the structure of the industry or the market; change in the demography, in perception or in values; availability of new knowledge, technology, etc...
4. Entrepreneurship can be applied in an existing business, in public institution or in a new venture. In an existing business, one talks about entrepreneurial management. This means applying entrepreneurial principles and practices into management

Entrepreneurial management requires policies, practices and strategies. How the theory, concepts, practices and principles of innovation and entrepreneurship can be applied by men and women, to enhance the business sector that determines the growth of the economy. The competitive and market-oriented economies are becoming the model of today's global economy. With innovation and entrepreneurship there is diversity, variety and multiple choices. A society without entrepreneurship is a dead society.

The question is then, how can Nigeria, full of dynamism and aspiration, as well as abundant in resources, embark on the innovative and entrepreneurial activities and strategies in order to stimulate its economy?

### ***Some characteristics of the Nigerian Nation***

Nigeria is the largest country in African continent. Its population consists of over 120 million inhabitants, of which, almost half the population is youthful. Nigeria is endowed with immense natural resources, such as oil, gas, mineral, forest, fertile land, water, fisheries among others. It has built and developed schools and universities, hospitals, roads, air and seaports, rail roads, telecommunication and postal infrastructures, banks, industries and various types of businesses. Several multinational companies operate in Nigeria, especially in food industry, banking, commerce, exploitation of natural resources. Although its share in the global economy is still small consisting of a single commodity exportation-oil, mainly in exportation, Nigeria's import is very much expanding. Companies are growing and the demand is highly increasing. However, at this era of democratization, privatization, and free market, Nigeria's economy can also turn-around. The major problem menacing the economic stance of the country is corruption of various natures. The question now is, how best to mobilize energy, expertise and resources which Nigeria has in abundance, to stimulate its economic systems. Applying these efforts in small and middle sized businesses will likely increase productivity, and ultimately improve the social life and economic welfare of Nigerian populations. With over half the population of Nigeria being female gender, one wonders if Nigeria can actually achieve the desired accelerated economic growth with half its citizen being marginalized in policy planning and economic resource management matters.

In the publication, "*Can Africa Claim the 21 Century?*" A World Bank study (2000), reported obvious conclusions that: (1.) Gender inequality is both an economic and a social issue; and (2.) That greater gender equality could be a potent force for accelerated poverty reduction in Africa (Dear 2000). Dear further stated that women are development agenda that seeks to reverse over three decades of economic decline in Africa. Given the dire prospects for poverty reduction in Africa, the continent must exploit all available opportunities for reducing poverty. Successful strategies include promoting the private sector and women enterprise development, as well as reducing gender inequality. With women comprising 52% of Africa's estimated 805 million people, women's empowerment is imperative for Africa's sustainable growth. This assertion surely holds true for Nigeria which is the most populous country in Africa. Experiences in other regions of the world also show that empowering women as economic actors, especially in small and medium-sized enterprises (SMEs), can be a powerful mechanism for economic development and consolidation of democracy. As Kofi Annan has aptly stated,

Study after study has shown that women do not play a central role. When women are fully involved, the benefits can be seen immediately: families are healthier and better fed; their income, savings and reinvestment go up. And what is true of families is also true of communities and, in the long run, of whole countries..... (Kofi Annan 2003)

Julio Gogoy in expressing the need and benefits of enhancing women's access to financial sources as well as fostering economic diversification and growth stated that the economic

and professional empowerment of women can trigger development in the society as a whole. In her words,

In the United States, women create twice as many enterprises as men, and the job creation at enterprises owned by women is larger than that of men in the top 500 hundred companies (Gogoy 2005).

She concluded as follows “We want to reach out not only to policy-makers, but also to potential women entrepreneurs and other stakeholders so as to raise awareness of the benefits.”

Nigerian government has actually acknowledged the importance of mainstreaming women in the national development process and has initiated steps towards realizing this objective. But, although integrating women to the process of economic decision-making is presumably high in the national agenda, the level of implementation has not been so remarkable.

### **Entrepreneurship for Nigerian women and politics of inclusion**

As discussed earlier, entrepreneurship is the creation and the production of new resources. A new venture starts with an idea. The subject of entrepreneurship stems primarily from the discovery by economic analysts that small firms contribute considerably to economic growth and vitality. As the women population grows in Nigeria, the need becomes more urgent than ever to stimulate the resources that women represent considering the needs and pressures on them as mothers and producers. Entrepreneurship creates jobs, leads to new knowledge and new competence. Entrepreneurship can be applied in private sector as well as in public institutions, in existing business, in new venture alike. It includes everybody in the business, from the top to the bottom. Through entrepreneurship, women and men create wealth and satisfy needs. A country needs innovation and entrepreneurship to expand and increase its productivity and its competitiveness. Innovation is an integral part of entrepreneurship. It deals with the introduction of, new ways of doing things or new ideas, changing the value and the use of resources in order to better satisfy consumers. Although innovation and creativity have no gender, African women are by nature innovators. They can easily create something from nothing in attempt to assist in family needs. And so by extension, Nigerian women are natural entrepreneurs and presently they dominate the informal sector business in the country. One major characteristic of entrepreneurship is the fact that it shifts resources from area of low productivity to higher productivity and yield. In giving Nigerian women entrepreneurs the necessary support and incentive, given their natural endowment in creativity and innovation, they can easily device new ways, new methods and techniques in their areas of specialization.

### **Cooperation in entrepreneurship**

It is known that Japan and the East Asian countries did not carry out alone their development efforts. Many foreign companies and investors worked with these countries. These countries benefited from the expertise, the technology and the investment from abroad. Africa can not develop without external support in various areas. Nigeria needs experiences and expertise of other countries in innovation and entrepreneurship. The

entrepreneurs need to work closely and in joint venture with foreign companies to introduce new methods, practices and principles. Nigeria needs not only investment but also cooperative business or joint venture. The hope is that, through the new mechanisms, such as gender-mainstreaming, each contributor will concentrate on the skill and expertise in his/her familiar terrain. Other countries will not only understand better Nigeria's need and economic potentiality but also will open doors to partnership and cooperation with Nigerian economy. The experiences gained by other continents or countries in applying innovative and entrepreneurial principles and practices to improve their economies are needed to stimulate, guide and sustain the mounting and growing economy such as Nigerian's. Our economy, still fragile, needs the support of partners to launch and sustain it.

This period of freedom in Nigeria with the return of democracy should also be used for economic revolution: new ideas, culture, and attitude towards a new improved economy. There is a need for change toward a Nigerian dynamic and competitive economy based on productivity, new technology, innovation and entrepreneurial management. Nigeria needs not to imitate other countries but to search for new and good methods and practices which fits into its cultural context. Success in women entrepreneurship can not only revolutionize Nigerian economy but also can lead the nation to an innovative and dynamic society. Entrepreneurial activities impact the whole society in alleviating poverty, improving individual life and the welfare of the entire population.

### **Building bridge across gender barriers**

The business links for women programs, must necessarily link new entrepreneurs with experienced business advisory agencies who will provide advice on preparing a business plan and applying for credits. Women entrepreneurs will also be offered ongoing support for their business activities. That way a relatively more equitable distribution of resources can begin to emerge. (Nwoye 1995).

Many women entrepreneurs face barriers in language, culture and lack of credit history when accessing business financing. Through partnership with their own links it is possible to assist new women entrepreneurs to remove those barriers and become contributive members to the local economy. Business links for women in business can foster the entrepreneurial spirit that can improve the economic health of our nation. These joint partnerships will create unique opportunity for credit unions to share expertise and resources to help women get the skills they need to develop sound business plans and achieve their goals and serve the nation as well as potential for export.

### **Addressing Gender Issues in Entrepreneurship in Nigeria**

Considering the economic progress achieved in some other countries, we strongly believe that one of the best ways to revolutionize Nigeria's economy is to embark in an innovative and entrepreneurial economy. This new conception and practice of economy, coupled with gender mainstreaming, can have a tremendous impact not only on business but also on the entire Nigerian way of life.

A more systematic approach is necessary in taking steps to incorporate gender into planning, monitoring, training, extension, resource allocation and also there is a need to modify its organizational structure to ensure that gender issues in Nigeria are

addressed effectively. It may require changes in goals, strategies, and actions so that both women and men in Nigeria can influence, participate in, and benefit from development processes.

### **Women entrepreneurship: a vehicle for making contributions**

In a society like Nigeria, with such a diverse and multiethnic citizenry, efforts of various institutions must be galvanized to the achievement and maintenance of social strength and harmony. Programs to achieve this include using a percentage plan to promote gender equity, innovation and entrepreneurship. Gender asymmetry within Nigerian social and economic structures, including constraints faced by women, therefore, provide further justification for gender specific measures to correct imbalances and removal of impediments and hence streamline areas of incentives. More than ever before, women are the driving force behind small business and local economies. Any government that is committed to turning entrepreneurial ideas into dynamic businesses to create jobs and export opportunities must recognize the impact of women and small enterprises.

Interventions must be activities that specifically target women, examples of such measures include:

- Legal reforms granting women equal rights to land tenure and ownership
- Incentives to encourage the enrollment of more girls in secondary schools
- Efforts to make government agencies more accountable to women in matters affecting them.
- Facilitating the participation of women in specific projects or activities in public institutions and agencies at both Federal and State level.
- Determining constraints operating against women's active involvement in economic activities through a combination of quantitative surveys and qualitative social assessments.
- Assessments must be designed specifically to elicit the views of women.
- Introduction of gender responsive budgeting as a framework for gender mainstreaming by the government of Nigeria.

### **At the Policy Level**

Quite agreeably, gender issues are receiving a certain degree of attention in Nigeria's economic sector, which provides the framework for its policy inclusion of women in some areas. But it is still rare, however, for women's opinion to be sought explicitly in policy making area in Nigeria. So what is more important now is, the development and institutionalization of tools and approaches for gender budgeting. Through such intervention, a model for involving women in policy making will emerge and such a model could be replicated in other federal sectors and States in Nigeria.

### **At the Institutional Level**

Designing and implementing gender-responsive policies effectively depends on developing appropriate institutional capacity, including changes in the responsible public agencies. In Nigeria today, there are limited, women's programs that are peripheral to mainstream activities. Whenever socio-cultural constraints seem severe, promoting

separate units within government ministries to provide segregated women's services may be the only workable strategy for gender mainstreaming.

### **At the Project Level**

If both men and women are to participate in a project, gender issues need to be addressed from the outset, gender constraints identified, and steps taken to ensure that the perspective and concerns of women are incorporated fully in project design. In the meantime, the government agencies promoting entrepreneurship in Nigeria have not necessarily streamlined their agenda for promoting women entrepreneurship. With sufficient general awareness of gender differences and inequities, it is possible to move to a gender approach, incorporating gender in mainstream programs, instituting incentives to create responsiveness to gender differences, and making line agencies accountable to both men and women clientele. Appropriate measures may vary depending on the particular social and political context, the exact nature of the constraints operating against women in a particular area of Nigeria, and the kind of activity in which their participation is sought. Constraints affecting women more than men may include any combination of legal or cultural obstacles, time constraints, lack of access to information, illiteracy, and inadequate means of transportation, limited access to credit; lack of access to land and market. In which case, gender budget should, as a necessity, focus on the establishment of a clear link between women's empowerment objectives and budget allocation.

### **Conclusion**

Beyond all these, it must be emphasized that there is need to lighten the ordeal surrounding women's access to credit and financing of their enterprises. This element of business start-up, will definitely improve their chances of becoming successful entrepreneurs. In particular, governments, banks, and other financial intermediaries, must embark on specific research on the characteristics, financial needs, and performance of women-owned business, and for equitable treatment of women by all financial institutions and government credit agencies.

There is need also to document knowledge and statistics about women's entrepreneurship activities in Nigeria as a means of improving comparability and facilitating case studies regardless of ethnic, social and cultural peculiarities of the various states of Nigeria.

It is part of endearment to provide business services, training courses and networking opportunities to help women gain employment, access raw material, establish a business, and improve their business and management skills.

Ultimately, this new perspective if properly implemented will not only create wealth for Nigeria, but also improve the quality of life of the people.

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