ABSTRACT

The purpose of this paper is to examine whether there is difference between factors influencing small scale business performance among the female-owned enterprise and male-owned enterprises in informal economy in Lagos state, Nigeria. This paper is anchored on feminist theory to explain such differences between genders. From review of the literature, variables on factors influencing business performance were collated and ones that are relevant to Nigeria situation were tested empirically in informal economy. Fifty (50) Small-scale businesses that varied in sizes and types were purposively chosen in two-local government areas of Lagos state, Nigeria. Structured Questionnaire was used to collect the data from the respondents. Percentages, frequency and chi-square statistical analysis were used to analyse the results.

The results reveal that factors that affect women-owned business are significantly different from factors that affect men-owned business. Recommendations were made as a result of this finding.
1.1 Introduction.
The purpose of this paper is to examine factors influencing small-scale business performance in Lagos state, Nigeria using gendered based analysis. The study hinges on feminist theory which explains that the differences in behaviour of women and men in business could be attributed to their individuals' access to strategic resources and socialization process. Factors affecting business enterprises performance have been a well research area by scholars for many years. Previous research indicates that several factors influence business performance includes among many others: their professional background, their entrepreneurship capabilities and preferences, cultural and religious beliefs, as well as the technology and micro—environment (Buttner, 2001, Makhbul, 2011).

However, despite previous research, empirical data segregation on factors influencing gender performances is rather scare and difficult to obtain. Brush,( 2000) succinctly stated that this is because gender differences in factors affecting small business performance remained largely unaddressed by social scientists. And majority of studies either disregarded gender as a variable of interest or excluded female subjects from their design. It is also generally accepted that male and female differences influence business performance, while these differences have been recognized, the factors influencing the performance of gender have not been fully explained (Brush & Hirsch 2000) despite the gender differences among small scale business operators.

The small business sector is recognized as an integral component of economic development and a crucial element in the effort to lift countries out of poverty (Wolfenson, 2001). Small- Scale businesses are driving force for economic growth, job creation, and poverty reduction in developing countries. They have been the means through which accelerated economic growth and rapid industrialization have been achieved (Harris et al, 2006; Sauser, 2005). Furthermore small scale business has been recognised as a feeder service to large-scale industries (Fabayo, 2009).
While the contributions of small businesses to development are generally acknowledged, entrepreneurs in this sector face many obstacles that limit their long-term survival and development. Scholars have indicated that starting a business is a risky venture and warn that the chances of small-business owners making it past the five-year mark are very slim (ILO, 2005). Some researches into small-business development have also shown that the rate of failure of small scale businesses in developing countries is higher than in the developed world (Marlow, 2009). In Nigeria in particular, despite the support and incentive programmes to small scale business, Akabueze, (2002) succinctly stated that it would seem reasonable to expect that small businesses would grow and flourish, but the rate of business failure continues to increase because of the obstacles affecting business performance which include: lack of financial resources, lack of management experience, poor location, laws and regulations, general economic conditions, as well as critical factors such as poor infrastructure, corruption, low demand for products and services, and poverty. Others include: shortage of raw materials, handicap in obtaining finance, inadequate competent personnel, inability to control costs and problems of dumping of cheap foreign products and others.

Despite the Inherent problems associated with the growth of Small- scale businesses, women entrepreneurs are increasingly venturing into ownership of small-scale enterprises either on their own or in partnership with male entrepreneurs (ILO, 2005). This has been made possible primarily because of ease of entry, limited access to other enterprises and lack of employment opportunities in formal sector of the economy. Also, given the growth of entrepreneurship among women, understanding the social and economic factors influencing their success performance is of critical importance.

Hence the need for this study which intends to fill this gap. To fill this gap, this study aims to provide holistic view through empirical study on the factors affecting performance in small scale business in Lagos state, Nigeria using gendered based analysis. The general objective of the study is to examine and explain the factors influencing performance among small –scale enterprises in informal economy. The specific objectives of this study are:

1) To present a descriptive profile of small – scale enterprises operators in Lagos state by gender.
(2) To determine the factors influencing the performance of female enterprises and men owned enterprises in Lagos state.

(3) to determine greatest obstacles and challenges for the operators of small businesses among gender in Lagos state with a view of coming up with recommendations to improve effective small business development.

(4.) to make recommendations on intervention measures that can help in improving the performance of small business enterprises in the informal sector.

To achieve the stated objectives, this paper is organized into five sections. The first section was the introduction. The second part consists of literature review and theoretical framework. The third part is the research methods; the fourth part is the discussions and critical analysis of the data while section five is the last part which consists of conclusion and implication of study.

2.1 Literature Review

2.1.1 Conceptualizing and understanding Gender questions, Small –scale enterprises and Performance in Nigeria.

Gender is a socially constructed experience, not biological imperative. Sociologists distinguish between the terms sex and gender to emphasize this point. Sex refers to one’s biological identity as male or female, while gender refers to the social identities attributed to women and men. Gender is rooted in social institutions and results in patterns within society that structure relationship between women and men and that give them differing positions of advantage and disadvantage within the institutions (Anderson, et al., 2001). In Nigeria, gender roles are prescribed expectations and obligations, responsibilities and behaviour of the masculine and feminine gender (Ezumah, 2003 cited by Onuoha, 2009).

It is important to note that discourses on gender in Nigeria usually slide into an analysis of the disadvantaged position of Nigerian women as they struggle to realize their full potentials in the society. The reason for the greater focus of women rather men are primarily because of the patriarchal nature of the Nigeria society. Oyekanmi (2004) defined patriarchy as a set of social relations with material base that enables men to dominate women. It should not be surprising therefore that the gender question in this article would focus on women entrepreneurs given that they are the marginalized gender.
Small-scale Business: There is no single criterion for classifying business enterprises as small or medium scale globally. In a study carried out by International labour Organization (2005), over 50 definitions were identified in 75 different countries. However, evidence from literature shows that in defining small-scale business, reference is usually made to some quantifiable measures such as: number of people employed by the enterprises, investment outlay, the annual turnover (sales) and the asset value of the enterprise or a combination of these measures. At the moment in Nigeria, following the National Council for Industry (NCI, 2002) classification, small-scale business fall within the following categories of enterprises; Small-scale business, if the enterprise has a capital outlay of between N1.5 million and N50 million including working but excluding cost of land and or workforce of between 11-100 employees. Generally, these enterprises engage in the production of light consumer goods that are primarily related to food and beverages, clothing, electrical parts, automotive parts, manufacture, leather products, soap and detergents, woodworks. Small scale business in Nigeria are divided into three sectors: 1, Production sector including agricultural processing, manufacturing, and mining 2, Service sector and 3, Trading sector including wholesales and retails (Fabayo, 2009). Small-scale enterprises usually operate in informal and semi-formal sectors (EUROPA, 2003). Ajiebefun et al, (2003) defined small scale enterprises as commercial enterprises that have ten or fewer employees. This study will take on NCI and Ajibefun (2003) classification of an enterprise with capital outlay of between N1.5 million and N50 million including working capital but excluding cost of land, and work force from 11 employees and above.

The concept of performance

GEM, (2004) defined Performance as the act of performing; of doing something successfully; using knowledge as distinguished from merely possessing it. However, performance seems to be conceptualised, operationalised and measured in different ways thus making cross-comparison difficult.

Cooper et al (1992) examined various factors which influence business performance such as: as experience, education, occupation of parents, gender, race, age, and entrepreneurial goals. While, Lerner and Hisrich (1997) conducted a study on Israeli women entrepreneurs and categorised the factors that affect their performance into
five perspectives, that is, motivations and goals, social learning theory (entrepreneurial socialization), network affiliation (contacts and membership in organizations); human capital (level of education, skills) and environmental influences (location, sectoral participation, and socio political variables).

Thibault et al. (2002) suggest that factors influencing business performance could be attributed to personal factors such as demographic variable and business factors such as amount of financing, use of technology, age of business, operating location, business structure and number of full-time employees as important factors in examining the performance as small scale business operators.

The most comprehensive summary of factors influencing performance was noted in a literature review by Theo, et, al. (2007) to include: individual characteristics, parental influence, business motivation and goals, business strategies, goals and motives, networking and entrepreneurial orientation. Others include environmental factors.

2.2. Theoretical Framework of Analysis.

The argument of this paper rest on the fact that the factors that would affect business performance of women owned enterprises would be significantly different from male owned enterprises. This argument is anchored on liberal and social feminist theories. Liberal feminist theory is rooted in liberal political philosophy which encompasses basic beliefs in the equality of all beings, and in human beings as essentially rational, self-interest-seeking agents. The liberal feminist theory attributes gender-based differences to the variations in power and opportunity accorded men and women in society, that is, the structural positions women and men occupy in society (Beasley, 1999). Thus, differences in the achievements of men and women are ascribed to the inability of women to realise their full potential because they are denied equal access to opportunities in the labour markets and to resources. This in turn has hindered women from acquiring the skills and capabilities necessary to compete on equal basis with men. According to the liberal feminist theory, once equal access to resources is ensured, gender differences in performance seemingly disappear (Carter et al., 1997).

In contrast to the liberal feminist theory, the social feminist theory, which emanates from the social learning theory and psychoanalysis, holds that differences between men and women exist from their earliest moments in life and result in fundamentally
different ways of viewing the world. These differences are seen in the way women and men construct and interpret reality and how these influence the formation of their values and intentions (Carter et al., 1997). Men and women are inherently different because of differences in their socialisation, training and experiences encountered prior to entry into particular work positions. Differences in nurturing result in different self-perceptions, motivations and belief structures. As a consequence women adopt different approaches to work which may, or may not be as equally effective as those adopted by men (Fischer et al., 1993). Drawing on these two feminist theories and research on the factors that influence performance of small enterprises this paper proposes a conceptual framework to guide the examination of factors affecting gender differences in small business performance in Nigeria.

3.1. Research Method
The purpose of this study is to examine factors that influence performance of both male and female owned small-scale business operators in Lagos state. The study was conducted in some selected local government of Lagos state, Nigeria. This study was limited only to cities because (1) many Small-scale non agricultural enterprises are actively concentrated in the city. (2) It is easily accessible for the researchers. Based on the criteria of small scale enterprises, 50 small-scale businesses were randomly and purposively selected in the designated urban areas of Lagos state. Based on extant literature, a carefully constructed questionnaire was designed to elicit responses from small-scale business operators. Nineteen variables were identified as factors affecting small scale business performance. These Variables and others more relevant to Nigeria situation were carefully collated.
and tested among small-scale business operators in informal economy in Lagos state.

Small-scale businesses were purposively selected and questionnaires were dropped with the owners after explaining the purpose of the study and seeking their consents. Sometimes, we had to pay return visits before collecting back the questionnaires. At other times, research assistants had to wait and interpret the questions to the business owners. The data was collected from August-November; 2010. During the survey it was ascertained that selected enterprises represented diversity in an economic activities, size and type.

4.1. Data Analysis

4.1.1 Individual characteristics and performance

Table 1 shows individual characteristics of small-scale business operators. Majority of the respondents are male (54%) while female constitute (46%). Majority of the respondents had tertiary educational qualification (Male-24% and female 20%). Majority of the respondents are married especially among male and female. The majority of married women in the sample could be attributed to report by Adegbite et al (2007) study which established that married men and women worked harder in managing a business because of the social, financial and psychological support than single, divorced or widowed individuals. This is important because of family responsibilities and commitments. Majority of the respondents are in the age group of 45yrs and above. While among the male respondents (20%) and Female (26%) started their businesses between 4.6yrs.

4.1.2. Motivations and goals as determinants factors that influence business performance.

An increasing number of scholars believed that motivation and goals of an entrepreneur affect business performance. The motivation of an entrepreneur determines success of such enterprise. In the table 2, results reveal that majority of men are motivated to start business because they are business achievement oriented (29.5%), and 18.5% of men respondents were motivated to start their business because of economic status and survival. This is in contrast with women entrepreneurs. Factors related to desire to achieve flexibility between work and
family are valued differently by genders (Cinnanon, 2002). The result shows that women value this variable more than men. Women respondents started their businesses because of their ability to combine family and work together, and for household survival (34.8%). However, studies had shown that men who are business achievement oriented are likely to achieve growth than others who are not. Motivation as a factor shows a strong relation to business performance.

4.1.3. Factors affecting business performance among genders.
Chi-Square differences were computed among the respondents on factors that affect business performance. Results in Table 3 reveal that factors that affect men-owned businesses are significantly different from women owned businesses. Women perceived Marital Status (64%), Age of Children (68%), Role –Model/advisors (58%), Business Location (60%), Customers (64%) and business development services (56%).

On men entrepreneurs factors affecting their business including Friends (70%), Government Support (80%), Adequate training (-68%), innovativeness (72%), Risk-Taking (84%), Re-training( 60%), Business Premises (66%). Men respondents also considered access to information as important factor affecting business performance. Access to loans and presence of family influence and members were considered significant by men and women entrepreneurs.

4.1.4. Table V1 shows the detailed analysis of challenges experienced by gender in small- scale business .women owned business considered access to financial resources as the major challenge to business performance. This is in line with the liberal feminist theory that women are denied access to financial resources. Other challenges mentioned include: inability to control costs (62%), inadequate competent Staff (76%) and problems of policies, incentives and operation (64%). While men respondents perceived poor locations (96%) and low demands for their products.

5.1. Discussion, Conclusion and Implication of the study
This paper investigates factors influencing small –scale business performance in informal economy using gendered basis analysis. The study reveals the profile of small- scale operators in informal economy among gender. Most of the respondents had gone through tertiary institutions. They are married. Most of them had been in the business for 4-6yrs and most of the businesses are family owned with individuals contributing funding to the establishment of the business. Age of the business, the
human capital of the entrepreneur had been found to be positively correlated with small business performance.

The paper also investigates the motivations and goals of women and men entrepreneurs. While women considered the ability to combine family and work together as the motivation for starting business, men were business achievement oriented. Studies have shown that business are likely to grow when an individual is business oriented other than other reasons (Brush, 2000).

The study also reveals that women owned business reveals that role-model/ advisor significantly affect their business growth. Other factor that affects business performance is inadequate access to financial resources. A study by Sitterly, (2001) found that the presence of parent entrepreneurial role-model was associated with an individual’ business performance. In line with social learning theory, parents must be encouraged to motivate their children, particularly daughters venturing into entrepreneurship. Socialization on entrepreneurial activities is needed to inculcate the spirit of entrepreneurship into our children. This can be done by inculcating entrepreneurial education into school curricular from primary school. Government also need to provide entrepreneurial training opportunities to small-scale operators in informal economy.

5.2 Implication of the study.
From the research perspective, we can therefore make a safe conclusion that our present knowledge on factors affecting performance of men and women separately in developing countries is still insufficient in developing countries especially in Nigeria. More cross country research is needed to develop data base on factors that influence small-scale business in Nigeria along gender analysis. A better understanding of enterprises and entrepreneurs can make a major contribution to the development of improved approaches for promotion of efficient and equitable growth of small-scale business.

From policy perspective, in the long run, effective policies and programmes to support the development of small-scale enterprises depend critically on adequate knowledge of characteristics and constraints of small-scale business operators.
Such an understanding of the pre-requisites for Nigeria women entrepreneurs to succeed in their businesses is of critical importance especially in today’s competitive environment.

**Limitation of the study**

The characteristics of this study have certain limitations in the applicability of the findings. First, the empirical evidence was limited only to certain local government areas of Lagos state. Secondly, a more detailed questionnaire with detailed questionnaire with more specific questions could be more helpful to gain a better description of factors affecting business performance by genders.

**REFERENCES**


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