

Gender Analysis of Social Capital Status of Entrepreneurs in Akure Metropolis, Ondo State

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Abstract:

This study examined the social capital status of male and female entrepreneurs in Akure metropolis, Ondo State, Nigeria. Social capital has become a pivotal tool for poverty alleviation in Nigeria, which is due to the fact that it is the coming together of people with common interest, values, norms, cultural practices and with a goal to meet certain basic needs, enjoy inherent benefits in participating or joining associations to achieve pre-determined goals and objectives which in turn is expected to improve the living standard of individuals, enterprises, and the economy in general. The study administered structured questionnaire to collect data from the respondents. Multi-stage sampling technique was used in selecting 201 micro scale entrepreneurs from six male and female dominated enterprises (barbing, printing press, mechanics, catering, hairdressing, tailoring) and the data were analysed using descriptive statistics. The result of the descriptive characteristics revealed that respondents were in one association or the other which include: occupational groups (39.22%), cooperative society (28.45%), trader association (13.79%), religious group (6.89%) and family group (7.76%). In the same vein, the social capital profile of both male and female entrepreneurs were, meeting index (100%, 96%), homogeneity index (39.26%, 44.77%), membership index (36.74%, 43.36%), labour index (25.18%, 29.38%) and trust index (24.70%, 24.70%) respectively. The study concluded that entrepreneurs (male and female) in Akure metropolis did not take advantage of their social capital and as such this has placed a bottleneck on their inability to maximize their business performance. The study recommends that entrepreneurs should appreciate gender balance in entrepreneurship, recognise their social capital status, and be actively involved in groups and deploy proper education and enlightenment on their social capital benefits through their various groups.

Keywords: Common Interest, Cultural Practices, Entrepreneurs, Gender, Micro-Scale

1. Introduction

The micro- and small-business sector is one of the leading employers and is considered to have the potential for making the highest contributions to employment growth and increased incomes (SMEDAN, 2010; Kennedy, 2014; Kamunge, Njeru & Tirimba, 2014). MSMEs are important agent of economic growth as they provide more than 50 percent of GDP of developing nations; they are source of supply of human capital, innovation, technological development and raw materials to bigger firms (Pacific Economic Cooperation Council

(PECC), 2003 and Sanusi, 2003). In Nigeria, due to the economy instability, people are taking creative steps to make other sources of income; however, micro and small enterprises are springing up as an avenue of an alternative source of living. Most of the operators of the MSEs sector constitute of men at 80%, this is in view of the fact that women constitute about 50% of Nigerians population (CBN Statistical Bulletin, 2006). Women are becoming more involved in the economic growth of a nation, and women are likely to operate in low risk and less advanced technology sectors such as petty trading. The gender division of labour and the gender stereotypes tend to

push women into low status and low income business activities (von Masson, 1999). However female are smaller in number than male in small scale enterprises and this in turn affect the business orientation of women, for instance, they are virtually absent from the manufacturing and construction area but over concentrated in the consumer sector and mostly in retail businesses (vonMasson, 1999).). Economic growth of micro and small enterprises without gender balance may not be sustainable. Gender balance is fundamental to economic growth and development of resources, accessibility to loan and government support in the growth of micro and small enterprises. However, social capital is as important for entrepreneurship as financial capital is for business start-up (Liao &Welsch, 2005; Lin, 1999).

Although many studies have considered this subject matter in Nigeria which include Yusuf (2008); Ajani and Tijani (2009); Akinlade (2018); Balogun (2011); Adepoju and Oni (2012); Durojaye, et al. (2013); and Omonona, Amao and Bamimore (2014); but most of them focused on social capital and performance in Nigeria without consideration for the strength of social capital from gender balance especially in Akure metropolis of Ondo State, Nigeria. Hence this study seeks to bridge this gap, analyzing the effect of social capital status on male and female micro and small entrepreneurs in Akure, Ondo State with a view to educating the Akure metropolis teaming population, increase efficiency and economic empowerment which in turn will reduce poverty.

METHODOLOGY

Research Design

The design for this study was survey, using structured questionnaire administered to selected male and female entrepreneurs in Akure, Ondo State, Nigeria through multi-stage sampling technique.

Study Area

This study was carried out in Akure metropolis which is the capital of Ondo state. The population of the city is over 420,623 people on latitude 7⁰15'0"N and longitude 5⁰11'42"E. It is a major commercial centre. Manufactures include metal products, furniture, soap, handcrafts, catering, hairdressing, Tailoring etc. It has two local government areas which include Akure South and Akure North Local Government Area.

Sample Size and Sampling Technique

A multi-stage sampling technique was adopted in the study. Akure metropolis was purposively selected

due to high concentration, growth potential and emergence of micro and small enterprises. The next stage was the purposive selection of six major enterprises which include barbing, printing press, mechanics (male-owned enterprises) and hairdressing, catering and Tailoring(female-owned enterprises) from Akure South and Akure North local government located in the metropolis, due to the fact that they are mostly gender specific enterprises especially in Akure. This was followed by a random selection of forty (40) respondents from the selected enterprises in each LGA. In all, a total of two hundred and forty (240) entrepreneurs were sampled.

Method of Data Analysis

The descriptive statistics was used for analysis of this study. Mean frequencies and percentages were used in the analysis of the socio demographic characteristics of the entrepreneurs and also generate social capital status and business information of the entrepreneurs.

Personal Characteristics

X1= Gender of the owner of the business (D = 1 for male, E= 2 for female)

X2 = Age of the enterprises owner (years)

X3 = Marital status of the respondents (D = 1 if married, otherwise D = 0)

X4 = Household size of respondents

X5 = Years of formal education of the respondents (years)

X6= Types of enterprise

Social Capital Variables

X7 = Level of Trust (%)

X8 = Membership density of entrepreneurs in association (%)

X9= Labour Contribution of entrepreneurs to association (Naira)

X10= Meeting attendance index of entrepreneurs in association (%)

X11= Homogeneity index of associations (%)

The measurement of each Social Capital (SC)

Variables used in the model above are as described below:

Membership Density: This was measured by the number of active memberships of each respondent in existing associations. A complete inventory of all associations will be made at local level institutions; each respondent was then given the inventory and asked which associations they were a member of. In other words, the proportion of membership of associations by individuals is found and rescaled to 100 (Grootaert, 1999; Balogun, 2011, Akinlade, 2018).

Homogeneity Index: On each of the seven (7) associations, each entrepreneur was made to answer questions on whether members live in same neighborhood, and are of same kin group; same occupation, income group, religion, gender and same age group. On that basis, for each of the factors a Yes response will be coded two (2) while No will be coded one (1). If mean is 100% it is highly homogenous while zero value represents complete heterogeneity (Omonona, Amao & Bamimore, 2014, Akinlade 2018).

Meeting Attendance Index: This index was measured by the number of times members of association actually met as a group over a period of time. This was obtained by summing up attendance of the individual members at meeting and relating it to the number of scheduled meetings of the associations. The value is multiplied by 100.

Labour Contribution Index: Index was measured by the responses given by the respondents. On that basis, Yes response will be coded two (2) while No will be coded one (1) (Balogun, 2011). The score of the seven associations were averaged for each respondent by dividing by maximum score 14 to obtain the index (Akinlade, 2018).

Trust Index: Index was measured by the responses given by the respondents. On that basis, Yes response was coded two (2) while No was coded one (1) (Balogun, & Yusuf, 2008). The score of the seven associations were averaged for each respondent by dividing by maximum score 14 to obtain the index (Akinlade, 2018).

that 43.8% of the respondents were male while 56.2% of them were female. Majority of the respondents are married, (56.22%) followed by the singles (38.82%) while the remaining 8% are widow and divorcee. This result supports the study of Omonona, Amao&Bamimore (2014) and Omotesho, Falola and Oshe (2013) that most of the household head are married. Table 4.2 further reveals that, 1.99% of the total respondents have primary education, 26.37% have obtained SSCE, 22.89% and 26.89% are holders of OND and HND degree respectively while 17.91% are M.Sc holders. This is an indication that most of the respondents are educated which is expected to enhance their social capital status and invariably improve their enterprise's performance.

Tables 2 also, revealed that majority (34.33%) of the respondents are household head of the family, 30.84% are spouses, 29.35% are children in the family and 5.47% are relatives. 66.67% are Christians, 29.35% practice Islam, while 2.99% are traditional worshippers, which demonstrates the perception that Ondo state has more Christians than other religions. Table 4.2 further presents, the distribution of respondents by employment status, where 24.38% are employed, 19.40% are students, 4.49% are pensioners, 3.48% are unemployed and 48.26% choose others which means their current enterprises is there major means of livelihood. Majority (69.19%) of the respondents fall between the ages of 21-35years, this means that most of the respondents are middle aged, energetic, young, and active to perform certain tasks to achieve their business goals. This finding is in line with that of Akinlade (2018)

Furthermore, majority of the respondents have family size ranging from 5-8 members with average size of 5.1 and 5.3 for male entrepreneurs and female entrepreneurs respectively

RESULTS AND DISCUSSION

4.2 Socio-economic Characteristics of Respondents

Table 1 presents the distribution of the respondents by socio-economic characteristics. The result reveals

Table 1: Distribution of Respondents by Socioeconomic Characteristics of male and female micro enterprises

Male dominated Enterprises			Female dominated Enterprises		All	
Marital status of Respondents			Frequency	Percentage	Frequency	Percentage
Single	34	38.64	38	33.63	72	38.82
Married	47	53.41	66	58.41	113	56.22
Divorced	2	2.27	1	0.88	3	1.49
Widowed	5	5.68	8	7.08	13	6.47
Total	88	100	113	100	201	100
Educational level of Respondents			Frequency	Percentage	Frequency	Percentage
Primary	29	32.95	4	3.54	4	1.99
Secondary	16	18.18	24	21.24	53	26.37
Tertiary	43	48.87	79	75.22	144	71.64
Total	88	100	113	100	201	100
Age of Respondents			Frequency	Percentage	Frequency	Percentage
21-25	11	12.50	19	16.81	30	14.93
26-30	24	27.27	22	19.47	46	22.89
31-35	26	29.55	25	22.12	51	25.37
36-40	16	18.18	19	16.81	35	17.41
40 above	11	12.50	28	24.78	39	19.40
Total	88	100	113	100	201	100

Source: Field survey, 2019

Table 2: Distribution of Respondents by Socioeconomic Characteristics of male and female micro enterprises

Male dominated Enterprises	Female dominated Enterprises		Female dominated Enterprises		All	
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Household size						
1-4	28	31.83	29	25.66	57	28.36
5-8	60	68.18	80	70.79	140	69.36
>8	-	-	4	3.53	4	1.99
Total	88	100	113	100	201	100
Mean	5.102273		5.371681			
SD	1.213334		1.41119			
Position of respondents in the family						
Household head	54	61.36	15	13.27	69	34.33
Spouse			62	54.87	62	30.84
Child	25	28.41	34	30.09	59	29.35
Others	9	10.23	2	1.77	11	5.47
Total	88	100	113	100	201	100
Employment status						
Employed	15	17.05	34	30.09	49	24.38
Unemployed	3	3.41	4	3.54	7	3.48
Student	16	18.18	23	20.35	39	19.40
Pensioner	3	3.41	6	5.31	9	4.48
Others	51	57.95	46	40.71	97	48.26
Total	88	100	113	100	201	100
Religion						
Christianity	64	72.73	72	63.72	136	67.66
Islam	22	25.00	37	32.74	59	29.35
Traditional	2	2.27	4	3.54	6	2.99
Total	88	100	113	100	201	100

Source: Field survey, 2019

Analysis of Research Objectives

Profile the social capital status of male and female entrepreneurs in Akure metropolis.

Distribution of respondents by choice of Association

Table 3 presents distribution of respondents by choice of association. The result shows that entrepreneurs in the study area are into various associations from which they benefit social capital. These associations include cooperative society, traders association, religious association, cultural group, gender group, occupational group and family group. Majority (39.22%) of the respondents in the study area are in occupational group followed by cooperative society representing 28.45%, 13.79% belong to the traders association, 6.89% of the respondents belong to religious association. Family group represents 7.76%. The gender and family group represents 2.16% and 1.74% respectively. However, most of the respondents belong to this association as a result of inherent benefit they enjoy in them. These benefits include: financial assistance, easy access to loan, training, honesty and commitment to ensure solidarity in groups to mention a few. However, most of the respondents join associations because it is compulsory or imposed on them by government. Access to finance and loan are one of the key factors for joining such association and this finding is backed up by Chidozie (2015).

Table 3: Distribution of Respondents by Choice of Association

Male Dominated Enterprise			Female Dominated Enterprise			All	
Choice of Association	Frequency	Percentage	Choice of Association	Frequency	Percentage	Frequency	Percentage
Cooperative Society	20	22.73	Cooperative Society	46	40.71	66	28.45
Traders Association	14	15.91	Traders Association	28	15.93	32	13.79
Religious Association	5	5.68	Religious Association	11	9.73	16	6.89
Cultural Groups	2	2.27	Cultural Groups	2	1.77	4	1.74
Gender Group	4	4.55	Gender Group	1	0.88	5	2.16
Occupational Group	45	51.14	Occupational Group	46	40.71	91	39.22
Family Group	7	7.95	Family Group	11	9.73	18	7.76
Total	97	110.23	Total	135	119.46	232	100

Source: Field Survey, 2019

Distribution of Respondents by Social Capital Variables

Table 4 presents social capital variables of respondents. There are five social capital variables used in the study to assess the social capital status of entrepreneurs in Akure metropolis. These variables include membership density, homogeneity index, meeting attendance index, labour contribution index and trust index. The detail of each variable is discussed below;

Membership Index: This was measured by the number of active memberships of each respondent in existing associations. A complete inventory of all associations was made at local level institutions; each respondent was then given the inventory and asked which associations they were a member of. In other words, the proportion of membership of associations by individuals is found and rescaled to 100 (Grootaert, 1999; Balogun, 2011, Akinlade 2018).

Homogeneity Index: On each of the seven (7) associations, each entrepreneur was made to answer questions on whether members live in same neighborhood, and are of same kin group; same occupation, income group, religion, gender and same age group. On that basis, for each of the factors a Yes response will be coded two (2) while No will be coded one (1). If mean is 100% it is highly homogenous while zero value represent complete heterogeneity (Omonona, Amao & Bamimore, 2014, Akinlade 2018).

Meeting Attendance Index: This index was measured by the number of times members of association actually met as a group over a period of time. This was obtained by summing up attendance of the individual members at meeting and relating it to the number of scheduled meetings of the associations. The value is multiplied by 100.

Labour contribution Index: Index was measured by the responses given by the respondents. On that basis, Yes response will be coded two (2) while No will be coded one (1) (Balogun, 2011). The score of the seven associations were averaged for each respondent by dividing by maximum score 14 to obtain the index (Akinlade, 2018).

Trust Index: Index was measured by the responses given by the respondents. On that basis, Yes response was coded two (2) while No was coded one (1) (Balogun, 2011). The score of the seven associations were averaged for each respondent by dividing by

maximum score 14 to obtain the index (Akinlade, 2018).

Meeting index, it is very necessary for members to attend meetings frequently of the association he/she belongs. For the male dominated enterprise, the mean meeting attendance index was 100% while that of the female dominated enterprises was 96.0%. This implies that most of the respondents attend meetings regularly. This will help build social capital mechanisms by association and benefits derived, to encourage members in the managing and growth of their business. This finding is in agreement with the study by Omonona, Amao, and Bamilore (2014) that entrepreneurs in Oyo State were punctual and often attends meetings than salaried households. The result also shows the homogeneity index of respondents in the study area. Homogeneity index involves, people that stay in the same area, are of the same sex, religion, trust each other, practice the same cultural practices etc. The mean homogeneity index for male dominated enterprise was 39.2% and that of female enterprises was 44.7% implying that association is highly diverse. The implication of this finding is that entrepreneurs in the study area do not have most characteristics in common; hence they cannot help each other build a formidable social structure through the associations. This is in collaboration with the study of Balogun *et.al.* (2011) that households' homogeneity index in south west, Nigeria was low. The membership index for male dominated enterprises has a mean of 36.74% and for their female counterparts a mean of 43.36%. Membership index involves the number of people that are active members in their various associations. The results show that the membership density index in the study area was relatively low. This is an indication that majority of the entrepreneurs are not actively involved in their groups.

Table 4 also reveals the labour contribution index of respondents in the study area. The mean labour contribution index for male dominated enterprises was 25.18% while that of female dominated enterprises was 29.3%. This indicates that most of the respondents do not contribute labour to their various social groups which might have negative effect on their performance. This result is not in tandem with the findings of Ajani and Tjani (2009) who obtained a positive effect of labour contribution on access to micro credit in Ekiti State, Nigeria. The result revealed that both male and female dominated enterprises had an average trust index of 24.6% which is relatively low. This signifies that there is lack of trust among members, and hence affecting the betterment, unity, commitment and social support

that is being benefited from various groups, this will also in turn affect their ability to access loan or

finance due to trust issues and ultimately lead to poor performance in business.

Table 4 Social Capital Variables Of Respondents by Enterprises.

Male Dominated Enterprises			Female Dominated Enterprises			All	
Index	Frequency	percentage	Index	Frequency	percentage	Frequency	percentage
Membership index			Membership index				
<40	40	67.80	<40	55	77.46	108	83.07
41-80	10	16.94	41-80	14	19.72	20	15.38
81	9	15.25	80 above	2	2.82	2	1.54
Total	59	100	Total	71	100	130	100
Mean 36.74242			Mean 43.36283				80.10525
SD 31.98011			SD 44.06996				76.05007
Homogeneity index			Homogeneity index				
<40	27	45.76	<40	23	32.39	50	38.46
41-80	31	52.54	41-80	46	64.79	77	59.23
81	1	1.69	80 above	2	2.186	3	2.31
Total	59	100	Total	71	100	130	100
Mean 39.26			Mean 44.77				84.03
SD 17.28734			SD 24.54419				41.83
Meeting Index			Meeting Index				
<40	0	0	<40	1	1.41	1	0.77
41-80	0	0	41-80	4	5.63	4	3.08
81	59	100	80 above	66	92.96	125	96.15
Total	59	100	Total	71	100	130	100
Mean 100			Mean 96.07				196.07
SD 0			SD 14.51868				14.51
Labour Index							
<40	52	88.13	<40	55	77.46	107	82.31
41-80	7	11.86	41-80	14	19.72	21	16.15
81	0	0	80 above	2	2.82	2	1.54
Total	59	100	Total	71	100	130	100
Mean 25.18			Mean 96.07				
SD 13.61452			SD 14.51868				

Source: Field Survey, 2019

Conclusion and Recommendation

The study discussed the effect of social capital on male and female entrepreneurs in Akure, Ondo State, Nigeria. Based on the research findings from the descriptive statistics analysed, four out of the social capital variables did not have positive impact on social capital status of male and female entrepreneurs in Akure, Ondo State, which are membership density index, homogeneity index, labour contribution index and trust index, while only meeting attendance index was significant in male and female entrepreneurs in the study area. The implication of these findings is that male and female entrepreneurs did not take advantage of the inherent benefits associated with social capital which should have positioned them for efficiency, effectiveness, boost business performance and ultimately reduce poverty in Akure, Ondo State, Nigeria. The study concluded that entrepreneurs (male and female) in Akure metropolis, did not take advantage of their social capital and as such this has placed a bottleneck on their inability to maximize their business performance. The study recommends that entrepreneurs should appreciate gender balance in entrepreneurship, recognise their social capital status, and be actively involved in groups and deploy proper education and enlightenment on their social capital benefits through their various groups.

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