

Print ISSN: 2233-4165 / Online ISSN: 2233-5382
doi: <http://dx.doi.org/10.13106/ijidb.2017.vol8.no3.5>.

[Review]

Sustainable Entrepreneurship among Rural Women in Nigeria: An Assessment of Benefits

Fardeen Dodo*, Rajasekhara Mouly Potluri**, Saratu Gazara***

Received: May 8, 2017. Revised: May 30, 2017. Accepted: June 15, 2017.

Abstract

Purpose - While sustainability is based on the argument that the world's resources are finite and their demand will ultimately surpass supply, entrepreneurship on the other hand argues that there are inherent opportunities to address this through conserving, recycling, switching to more renewable resources and making effective use of available finite resources.

Research design, data, and methodology - In response to the lack of scientific information on the outcomes of entrepreneurship in rural Nigeria, this paper surveys the benefits (social, economic and environmental) of women engagement in waste plastic bags recycling in Adamawa State of Nigeria. A descriptive research design was adopted and data was collected from 26 respondents with the use of a semi-structured questionnaire, which was analyzed using descriptive statistics and presented in frequency tables.

Results - Results indicated that 21 women have gained employment, who would have remained unemployed; 80.8% of who make profits below 10000 Naira per month and collectively, they recycle 179.3kg of waste polythene bag per month.

Conclusions - It was recommended that the women should be further their education; adequate records of costs and sales should be kept; and savings should be encouraged among them.

Keywords: Sustainability, Entrepreneurship, Rural Women, Nigeria.

JEL Classifications: L26, L31, N87, O18.

1. Introduction

Generally, management and economics literature have for long ignored the concept of entrepreneurship, and focused largely on understanding how resources could be used based on precise scientific estimation of the very best way to use them. Over time, the rising understanding of global resource depletion however called for new lines of thought. Among the early thinkers of sustainability was Thomas Malthus (1798), who put forward the assertion that if un-tackled, population growth would exceed food production ability and result in starvation and war. The 20th Century

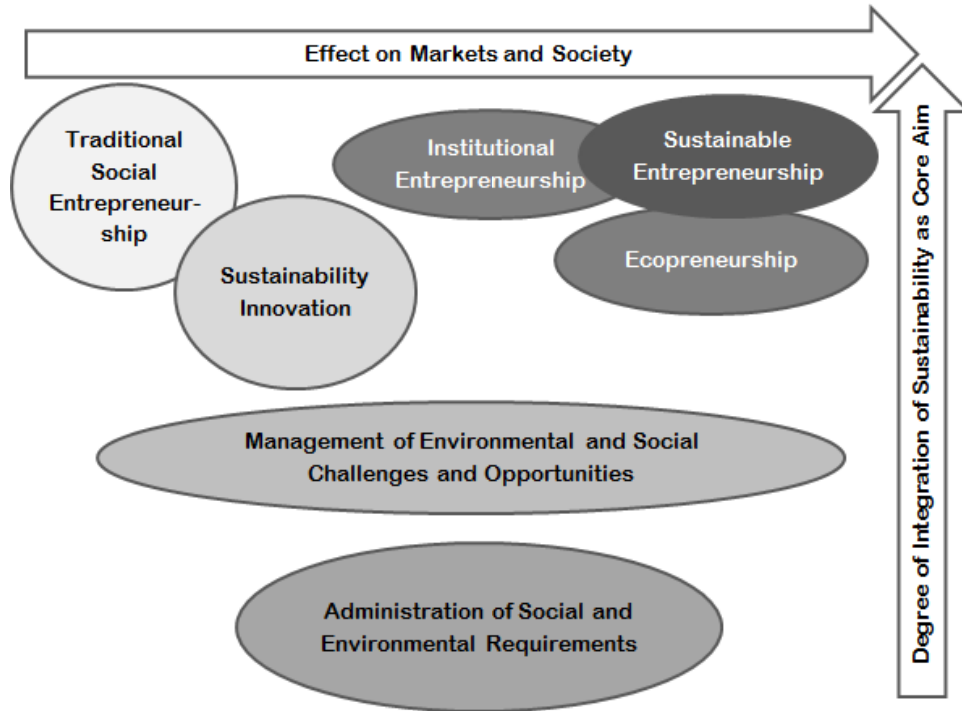
however both witnessed rising food demand and improved productivity, thereby avoiding the Malthusian trap, at least for the moment. This line of thought therefore created an attractive atmosphere to introduce thoughts of entrepreneurship to address sustainability concerns. These works were largely based on Schumpeter (1937), who understood entrepreneurship as a process of creative destruction, in which case entrepreneurs distort the existing means of production and replace them with efficient means of doing business, and Kirzner (1973), who posited that identifying previously unnoticed profit opportunities is a key ingredient of the entrepreneurial process.

The field of entrepreneurship has several emerging fields, several of which share many similarities. On the general, the line of thought that sustainable entrepreneurship employs principles of entrepreneurship to achieve environmental gains has remained constant. A category of authors for example believe that sustainable entrepreneurs view environmental aims as their key objectives. Another perspective was viewed from the corporate incentives point, mainly of how noticing opportunities for improving environmental performance

* Instructor, Entrepreneurship, School of Business & Entrepreneurship, American University of Nigeria.

** Corresponding Author, Associate Professor, Management/Marketing, School of Business & Entrepreneurship, American University of Nigeria, Lamido Zubairu Way, Yola Township By-Pass, PMB. 2250, YOLA, Adamawa State, Nigeria. Tel: +234-805-980-4112, E-mail: raja.potluri@aun.edu.ng, prmouly24@gmail.com

*** Graduate Student, School of Business & Entrepreneurship, American University of Nigeria.



<Figure 1> A positioning matrix for delineation of sustainable

of organizations may be created to yield sustainable entrepreneurs. Another view of sustainable entrepreneurship is from point of its ultimate function of changing the society for the better.

From the foregoing, it appears that sustainable entrepreneurship shares a lot with other forms of entrepreneurship. One perspective used to understand it is from the point of the difference it shares with other forms of entrepreneurship. Schaltegger (2002) presents a positioning matrix that helps easy delineation of sustainable – from other forms of entrepreneurship (<Figure 1>). As will be seen, sustainable entrepreneurship has the highest impacts on markets and society and also highest integration of sustainability as the core business objective.

Small and Medium Scale Enterprises (SMEs) are globally recognized as effective means of creating employment opportunities and developing the economy (Enechojo, 2012). Several business researchers have drawn a conclusion that SMEs have more advantage over the large businesses (Stoddard, 2011). In African countries, where the private sectors are not adequately established, SMEs can particularly play a significant role in enhancing development and reducing poverty (Sirpa, 2012). In the past, the need for women to take part in business was perceived to be culturally unnecessary, as men were responsible for satisfying all the needs of the family. The women also thought that effective communication in the business transactions was possible among the men alone, such that

women eventually became faced with the problem of unemployment that hindered their wellbeing and their family lives (Sirpa, 2012). Despite the rise in women educational attainment, they have difficulty taking advantage of employment opportunities and earning additional income. To overcome this, entrepreneurship is increasingly being promoted among women, to help them establish their own enterprises so as to begin to gain income independence. Also, findings from other studies reveal that women have more difficulties in implementing the various entrepreneurial capabilities that include creativity and innovation than men (Popescu, 2012). It is unfortunate that the role that Small and Medium Enterprises (SME) play in boosting the economy of Nigeria have not been fully exploited. SME holders provide Job opportunities for many youths in the country. Therefore, new entrants to business are encouraged. These new entrants should not only include men but also women who are willing to engage in business activities. In addition, women in the northern part of Nigeria including Adamawa State are seen as a minority and therefore there is less emphasis with regard to the problems concerning them. They refer to the forgotten part of the nation's population (Enechojo, 2012). Majority of these women and their children are into housekeeping in the houses of middle-class people of the society. The reason could be because they are not powerful in the SME sectors because of the various factors that hinder their growth.

It is therefore necessary to encourage entrepreneurship to

accommodate the unemployed women and reduce poverty among them. While this information is generic to the Nigeria, or particularly, northern part of Nigeria, it may not suffice to use it to represent situation of women entrepreneurs in Yola. It is hence instructive to conduct a specific research to identify the benefits and challenges of women entrepreneurship in Yola context, with a view to proffering solutions that are more useful. As the topic implies, this research introduces doubt to the reader as it was narrowed to women employees in YES. The research focused particularly on women involved in recycling enterprise based in Yola, Adamawa of Nigeria, who convert waste recycling bags into bags, mats and household equipment.

Given the concentration of previous studies on entrepreneurship generally, it is instructive to study women sustainable entrepreneurship in this particular organization because of the potential social, economic and environmental benefits of what they do to enrich literature in this specific area of entrepreneurship. The economic gain relates to the income obtained from the sales of their products. In addition, their business contributes to waste management in Yola as they get their raw materials simply by keeping the environment clean. Hence, it becomes instructive to position the context of women sustainable entrepreneurs in literature and understand the benefits gained from the businesses they do. This paper presents the results of an assessment of the benefits that sustainable entrepreneurship offers women in Yola.

2. Literature Review

The benefits of women entrepreneurship have been categorized based on three major forms namely economic benefits, social benefits, and environmental benefits.

2.1. Economic Benefits

This is the type of gain that women entrepreneurs derive from entrepreneurship. Some women entrepreneurs are concerned with maximizing profit to increase the amount of income they earn. They simply want to generate wealth and become richer in the society. Most women engage in entrepreneurship in order to reduce their poverty level, hence improve their standard of living (Stoddard, 2011).

2.2. Social Benefits

Some women are not concerned about profit maximization; rather, they are interested in solving societal problems. Dees (1998) asserted that these kinds of entrepreneurs are referred to as social entrepreneurs. He further clarified that it is not that social entrepreneurs are not involved in for profit businesses, but they emphasize more on creating social impact.

2.3. Environmental Benefits

These include the benefits that a society or community gains from enterprises that involve in waste management. In Nigeria, many by-products including polythene bags contain chemicals which are hazardous to health and environment. Inappropriate disposal of polythene bags also encourage the spread of waterborne diseases. Therefore, recycling business has a high impact on the society in which it operates because it helps in keeping the community clean to ensure healthy and conducive environment.

Furthermore, a qualitative research was conducted through interviews that were recorded, analyzed, and used to draw conclusion about the social as well as economic benefits of women entrepreneurship (Arasti, 2012). Also, a quantitative research was conducted to measure the environmental impacts of polythene bags generation and disposal by carrying out a survey on a sample of 100 households in Akure city, Nigeria. In addition, questionnaires and interview was carried out, analyzed, and used to generate conclusions about the entire population.

However, Alutu (2011) discussed the following benefits of women entrepreneurship both to the women entrepreneurs and the economy of Nigeria.

2.4. Benefits Women Entrepreneurship to the Women Entrepreneurs

- a. *Independence and Financial Stability.* Entrepreneurship makes women independent as they make significant decisions on their own without having to wait for their husbands. Businesses that are directed towards profit making provide entrepreneurs with consistent income. This allows them to help themselves, families, and other people in the society who need their support.
- b. *Self-Fulfillment and Self-Sufficiency.* Entrepreneurs often set goals which they finally achieve because they are contented enough to do so. Success in business makes them to attain self-fulfillment as they act towards achieving their desired goals to gain benefits. They also become self-sufficient when they know that their success does not depend on efforts of their husbands but on themselves, since they own their own business and need little or no support from employers.
- c. *Time Flexibility.* Entrepreneurs enjoy the time-flexibility that entrepreneurship has afforded them. They, therefore, are able to decide when to work and when not to, and spend enough time with their family and friends. According to Nwoye (2007), this is the reason many women become entrepreneurs.
- d. *Focus:* Entrepreneurship makes women to pay attention to their businesses. This reduces the immoral behavior

like stealing and prostitution which is caused by unemployment and poverty.

2.5. Benefits of Women Entrepreneurship to the Economy:

- a. *Provision of Employment Opportunities:* Entrepreneurship provides employment opportunities for many people in a country. The number of jobless citizens is reduced because these women involved in entrepreneurship (especially those in the manufacturing sector) employ people to work for them.
- b. *Effective Utilization of Resources:* Entrepreneurship helps the country in utilizing its natural resources effectively. It enables the resources to be transferred from less to more productive regions.
- c. *Enhancement of Equity in the Distribution of Income and Wealth:* It allows people from every part of the Nigeria to generate income and wealth. Various business opportunities in farming, fishing, poultry, and other trading activities make it possible for people in the rural area to acquire considerable income.

3. Research Methods

The research used the population of 40 women entrepreneurs of Yola-Eco-Sentials organization in Yola, Adamawa state. These women engage in recycling used polythene bags and making products. Therefore, this research does not have a sample and there is no need for sampling procedure. While all the members of the organization were targeted for the study, only 26 of them were successfully enumerated for the study. Primary data was obtained by means of administering questionnaires to the women. On the other hand, secondary data including records obtained from YES organization about the weights of the polythene bags collected by the women as a proxy of the environmental benefits the environmental benefits of the activities of the women entrepreneurs. A total of 40 copies of questionnaire were administered to the women sustainable entrepreneurs in YES organization. Over a period of three weeks, only 26 out of 40 questionnaires were properly filled and returned. In order to avoid uncertainty and/or inaccurate results, a pretest was carried out on the data collection instrument in which five (5) people were given the questionnaire to investigate its validity and reliability. This allowed for re-development of the questions to harness the required data and reduce misunderstanding by the women. As the primary objectives of this research, the benefits of women entrepreneurs were measured using the descriptive statistics. Frequency tables were used to present the results of the survey particularly on the social benefits. The

economic benefits were also analyzed based on the responses of costs that the women incurred in making the products and the sales, in order to determine the profits. In other words, the economic benefits were measured by the profitability of the women. Hence, the simple formula selling price less cost price was used to calculate the profits that the women gain in the business. The environmental benefit was assessed by using the records that YES organization keeps about the weight of plastic bags that the women help to collect and use to make their products. The weight was computed as number of bags multiplied by the kilograms.

Analysis and Results

Findings revealed that majority of the women belong to the age group of 31-37 years. Also, the women come from different ethnic groups with the Fulani women, majority of whom were Muslim. Besides, 46.2% of the respondents are married, followed by the singles 8 (30.8%), and then divorced, who are only 6 (23.1%) of the respondents are divorced. Additionally, most respondents have children 3.4 children. Also, most of the respondents are newly enrolled in the YES program for duration of 0-5 months. The benefits of women entrepreneurship were categorized into social, economic and environmental. Socially, the women benefit from entrepreneurship by earning because of the employment. The results revealed that majority (73%) of the women are able to support their family's education and healthcare. In addition, it was discovered that the interaction with other members of the organization, fosters a sense of peace and unity was enhanced among the women from different ethnic groups and religions. It also allows for exchange of new ideas, entrepreneurial skills and encourages competition.

Economically, the women earn income from their involvement in entrepreneurship. The results revealed that majority (80.8%) of the women run at a profit while unfortunately a few (19.2%) incur a loss. Environmentally, the women's involvement in entrepreneurship was found to be clearing 179.2kilograms of used polythene bags, per month, which would have otherwise posed health and environmental hazards. This indicates that the economy benefit from the entrepreneurial activities of the women as it supports waste management. Not only the economy, but also the women entrepreneurs gain from the benefits from the business because they get their major raw material (Plastic bags) free of charge simply by cleaning the environment. Additionally, just as Alutu and Uzamere (2011) mentioned identified flexibility as one of the benefits that women derive from entrepreneurship, this study also finds a five hour a day average working time among the women, which is quite flexible and convenient as they could spend enough time with their families and friends.

4. Conclusion and Recommendations

The women entrepreneurs in the organization Yola-Eco-Sentials (YES) gain social, economic, and environmental benefits. The social benefits include employment, time flexibility, and support towards paying children's school fees, as well as providing some financial support regarding their family's health care. It was discovered that majority (80.8%) of YES women were profitable in the business they do while few (19.2%) run at a loss. From the environmental view point, the women entrepreneurs in YES collectively help eliminate 179.2 kilograms of waste monthly. It has been recommended that YES should involve in promotional

campaigns to enlighten people in the society about the advantages or significance of women entrepreneurship in order to reduce the socio-cultural challenges of the women. YES should keep weekly, or monthly records of the costs, production, sales, and other business activities of the women should be kept in order to determine their profitability to enable the organization to measure the performance of the women. Generally, financial institutions should provide loans for women both new and existing entrepreneurs to start and sustain their businesses. The average labor cost in terms of wages per hour of the women should be included in the costs they incur in the business. Finally, this research was able to assess the challenges of women entrepreneurs.

References

- Alutu, A. N., & Uzamere, O. (2011). The Girl-Child and Entrepreneurial Education: A Case for Economic Sustainability. *Current Research Journal of Social Sciences*, 3(3), 180-187.
- Anderson, A. R. (1998). Cultivating the Garden of Eden: Environmental Entrepreneurship. *Journal of Organizational Change Management*, 11(2), 135-143.
- Arasti, Z. S., Rezeyee, S. O., Zarei, B., & Panahi, S. M. S. (2012). A Qualitative Study on Individual Factors Affecting Iranian Women Entrepreneurs' Growth Orientation. *Journal of Management and Strategy*, 3(2), 39-49.
- Arielle, J. (2009). Kirznerian and Schumpeterian entrepreneurship in Trinidad and Tobago. Retrieved from <http://www.icafe.org/d4-john-storr.pdf> [Accessed: 17th March, 2014]
- Azzone, G., & Noci, G. (1998). Seeing Ecology and "Green" Innovations as a Source of Change. *Journal of Organizational Change Management*, 11(2), 94-111.
- Commission for Sustainable Agriculture and Climate Change (CSAC, 2012). Achieving food security in the face of climate change. Retrieved from http://chge.med.harvard.edu/sites/default/files/climate_food_commission-final-mar2012.pdf [Accessed: 10/3/2013]
- Dees, G. (1998). *The Meaning of Social Entrepreneurship*. Stanford, CA: Graduate School of Business, Stanford University.
- Enechojo, G. M. (2012). Gender Issues in Entrepreneurial Development in Benue State (Nigeria) and Counseling Implications. *Bulgarian Journal of Science and Education Policy*, 6(2), 386-397.
- Hostager, T. J., Neil, T., Decker, R. L., & Lorentz, R. D. (1998). Seeing environmental opportunities: Effects of intrapreneurial ability, efficacy, motivation and desirability. *Journal of Organizational Change Management*, 11(1), 11-25.
- Isaak, R. (1999). *Green Logic: Ecopreneurship, Theory and Ethics*. West Hartford, CT: Kumarian Press.
- Krueger, N. (1998). Encouraging the identification of environmental opportunities. *Journal of Organizational Change Management*, 11(2), 174-183
- Kyrö, P. (2001). To grow or not to grow? Entrepreneurship and sustainable development. *International Journal of Sustainable Development and World Ecology*, 8(1), 15-28.
- Malthus, T. (1798). *An Essay on the Principle of Population*, Edited By Geoffrey Gilbert, Reissued 1999. Oxford World's Classics. Oxford: Oxford University Press.
- Popescu, S. (2012). Women and Men in Entrepreneurship. *Journal of Knowledge management, Economics, and Information Technology*, 2(4), 60-71.
- Schaltegger, S., & Petersen, H. (2001). *Ecopreneurship – Konzept und Typologie*. Luzern: R.I.O. Impuls.
- Schaltegger, S., & Wagner, M. (2011). Sustainable Entrepreneurship and Sustainability Innovation: Categories and Interactions. *Business Strategy and the Environment*, 20(4), 222-237.
- Sirpa, W. (2012). Self-assessed consequences of unemployment on individual wellbeing and family relationships: A study of unemployed women and men in Finland. *International Journal of Social Welfare*, 21(4), 372-383.
- Stoddard, D., & Godwyn, M. (2011). *Minority Women Entrepreneurs: How Outsider Status Can Lead to Better Business Practices*. UK: Greenleaf Publishing.