

## Motivational Factors of Women Entrepreneurs in Ado, Ekiti State: An Empirical Appraisal

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### **Abstract**

*Economic growth and development of any society is predicated on the human, physical and financial resources of the society. There is a limit to which national development vis-à-vis economic development is possible without recourse to the human element. The government is not the sole engineer of economic development, though can provide the enabling environment for private enterprises to thrive. The private sector is the domain of entrepreneurs. The word "Entrepreneur" is derived from the French word "Entreprendre" in the 17<sup>th</sup> century which means "to overtake". However, the word has undergone several refinements to imply activities of a segment of our society named entrepreneurship. The entrepreneurs are considered as the engineers of economic growth and development in a society. An important aspect of entrepreneurship is the activities of the women entrepreneurs which sometimes are overlooked. However, the women folks are already playing strategic roles in the economic growth of their countries as different researches have been conducted from Asia to Africa and to Europe. This paper therefore pushes the research on women involvement in entrepreneurship further by domesticating it within the purview of Ado-Ekiti metropolis. The study employed both primary and secondary sources of data. The primary source of data is derived from interviews conducted with selected women entrepreneurs in Ado-Ekiti metropolis. They were selected through purposive sampling technique and analyzed through textual analysis. The study found that women entrepreneurs in Ado-Ekiti are more motivated by the push factors than the pull factors.*

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**Keywords:** *Women, Entrepreneurs, Economic and Motivation.*

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### **Introduction**

The term entrepreneurship has a history that dates back to 1732, when the Irish economist Richard Cantillon used the word in reference to individuals with "a willingness to carry out forms of arbitrage involving the financial risk of a new venture" (Minniti & Lévesque, 2008 cited in Kavuli, 2014:9). In generic term, an entrepreneur is described as "one who organizes, manages, and assumes the risks of a business or enterprise (Woolf, 2009). Omolayo (2006) explains that entrepreneurship is the act of starting a company, arranging business deals and taking risks in order to make a profit through the education skills acquired. It has come to mean the process of starting a business. But its general meaning has shifted to wider application into an

area of providing high yield through better productivity for economic development. Entrepreneurship has obtained a great deal of focus over the past years considering the significant benefit realized by small and medium firms in overall development of national economy (Brinda & Dileep, 2011: 15).

Entrepreneurship has become the engineer of economic growth across the globe. The role of entrepreneurship has gone beyond debate. This explains the reason Jesurajan & Gnanadhas, (2011:1) hold that “A country may be rich in material resources and capital. But if entrepreneurship is lacking, the utilization of resources would not be as expected. The entrepreneurs are a part of industrial society and as such, he/she should be considered as an asset. The entrepreneur is responsible for not only earning his/her own livelihood but also for creating avenues of employment for others and contributing to the gross national product”. Entrepreneurs are not liabilities in the society but rather active assets such that if explored could accelerate the rate of growth in the country, eliminate the poverty index and reduce employment rate. The entrepreneurs do not only earn a living but also contribute to the livelihood of some other people. Ghazali et al (2005) hold that theoretical and empirical investigations have shown the crucial roles that technological innovation and entrepreneurship play in hastening the development of today’s industrialized nations (cited in Kavuli, 2014). In the same vein, Akpomi (2009) holds that the present emphasis on indigenous technical innovation and entrepreneurship stems from the failure to stimulate third world development by borrowing or transferring advanced technology from developed nations.

Another reason for the growing interest in entrepreneurship includes the growing rate of unemployment and poverty that becomes obvious after the economic depression of the early 1980’s; the recession in the agricultural market and the realization of the ability of small medium sized enterprises to create wide-spread employment opportunities thereby militating against unemployment and poverty (Alarape, 2008 cited in Kavuli, 2014:2).

### **Women Entrepreneurs**

Women entrepreneurs are those women that can play a significant role in fostering economic and social development, particularly in the small business sector (Ahmed, 2011). According to Mordi & Okafor, (2010), women entrepreneurs are women that participate in total entrepreneurial activities, and take the risks involved in combining resources in a unique way to take opportunity identified in their immediate environment through production of goods and services. Nawaz (2010) pushes the discourse further by holding that women entrepreneurs refer to “women, who innovate, imitate or adopt a business activity”. As noted by Verheul and Thurik (2009), female entrepreneurs are important for economic development. Not only do they contribute to employment creation and economic growth through their increasing numbers, they also make a contribution to the diversity of entrepreneurship in the economic process.

The economic importance of female entrepreneurs notwithstanding, their number still lags behind in comparison with male entrepreneurs. Men are about twice as likely involved in entrepreneurial activity than women (Reynolds et al., 2002). Of course, this varies from country to country. From data derived from the Global Entrepreneurship Monitor (GEM), female entrepreneurship rates (in terms of nascent and young business prevalence rates) are high in countries, such as the United States, Australia, South Korea and Mexico, and low in countries,

such as Ireland, Russia, France and Japan (cited in Kaluvi, 2014:2). With sustained economic declination, individuals as well as governments increasingly set up and encourage entrepreneurship to leverage and possibly eradicate the economic depression. As more Nigerians fail to get employment in the formal and informal sectors, the need to own a business became more attractive and competitive especially for women who do not have as much opportunity as their male counterparts (Aderemi, Ilori, Siyanbola, Adegbite, Abereijo, 2008:165-166). The whole idea of women entrepreneurs has come to stay because the current economic situation in the world necessitates women productive engagement in economic activities.

According to Weeks (2002), women entrepreneurship is developing in the Organization for Economic Co-operation and Development (OECD) member countries and around the world. In some countries, women-owned businesses are increasing at a very rapid pace in terms of both numbers and turnover. Women entrepreneurs constitute a growing share of SME owners, with higher than average start-up rates in several OECD member and non-member countries and economies. This significant economic and social development has become of growing interest to policy makers worldwide because of this era of global economic integration. According to Gundry & Welsch (2001), women have entered the field of entrepreneurship in greatly increasing numbers since the last two decades. For them, the routes women followed to take leadership roles in business vary and most of them have overcome or worked to avoid obstacles and challenges in creating their businesses. They argue further that the presence of women in the workplace in driving small and entrepreneurial organizations has had a tremendous impact on employment and on business environments worldwide. They also posit that the growth of women businesses has also contributed to the global economy and the economies of their immediate communities and countries.

According to the United Nations Industrial Development Organizations (2001), whether women are involved in small or medium-scale production activities or in the informal or formal sectors, their contribution to output and value added in the manufacturing sector is substantial, even though it remains partly invisible in official statistics. Women's entrepreneurial activities are not only a means for economic survival but also have positive social repercussions for the women themselves and their social environment. In the 1990s, researches showed the growing involvement of women in business in the United States of America. For instance, according to Brush (1992), a significant trend in the US economy was the recognition of the growth of women-owned businesses, which was estimated to be 50% of all US businesses by year 2000.

### **Motivational Factors for Women Entrepreneurs: Contextual Discuss**

Motivational factors for women involvement in entrepreneurial activities could be grouped under "Pull factors" and "Push factors". Pull factors refer to the urge in women to undertake ventures with an inclination to start a business. Women entering business, driven by financial need due to family circumstances are said to be influenced by push factors (Jesurajan & Gnanadhas, 2011:2). Previous researches have adduced several factors responsible for women involvement in economic activities. The first factor, among others is the personality of the entrepreneurs themselves, their professional background, their entrepreneurial capabilities and preferences, cultural and religious beliefs, as well as the technological and macro environment.

According to Orphan & Scott (2001), studies about motivational factors around the world have been conducted in a number of countries both developed and developing where the researchers found that men and women are motivated by similar factors. Among the major factors that motivate women to start their own businesses are economic separation from the rest of the family and to get the target goal of managing the living (cited in Abdel & Ali, 2013).

In the same vein, ILO (2003a) holds that some women start business for economic purpose to cover family needs while other women start the business for using their career; understanding of the business; and to enhance their life styles. The factors that motivate women to become entrepreneurs are summarized to push factors which are defined continuing the existence of the life and pull factors which is using the own skills to the field of the business.

Chelliah and Lee (n.d) (as cited in Abdel & Ali, 2013) hold that push factors are factors such as insufficient family income, dissatisfaction with a salaried job, difficulty in finding work and a need for flexible work schedule because of the responsibility of the family while Pull factors are the factors associated to the independence, fulfillment, entrepreneurial drive and desire for wealth, social status and power.

We further found these several motivational factors responsible for women involvement in entrepreneurial activities as elucidated in ILO (2003b). Accordingly, it is argued that women entrepreneurs do business for daily food, pleasure for work and benefiting the free time. Women entrepreneurs start working informal businesses to satisfy their family needs and spending free time. They start businesses that grow. Role model, prior developments, skills they got before the establishment of the business, easy capital gain, helping hand from relatives and friend and availability of equipment's are the factors that motivated women to start the businesses (ILO, 2003b).

The research of Gadar & Yunus (2009) revealed that women entrepreneurs are motivated by their perception and believe about the economic situation in the places they live in, a target point they set to reach, specific goal towards their business, business organizations. The fallout from their research is that women entrepreneurs are motivated by the need of economical freedom, ability to do both business and family affairs, to become decision maker on the business, unwilling to do salaried work and boredom on previous salaried work.

In their own study, Eyupoglu & Saner (2010), using survey questionnaire divided women entrepreneurs into two sectors. Women with business experience and women without business experience. It was found out that the former are motivated by the need to become economically free, showing life change and the need to manage their lives while the latter are motivated by financial needs such as income generation.

Having discussed several motivating factors of women entrepreneurs, the study needs to enter into specifics by engaging the selected women entrepreneurs in Ado-Ekiti.

### **Purpose of the Study**

This study aimed to investigate the motivational factors influencing women participation in entrepreneurial activities in Ado-Ekiti, Ekiti State.

### **Methodology of the Study**

In this study, we focus on gleaning the motivational factors of women entrepreneurs in Ado-Ekiti, Ekiti State, having selected few women entrepreneurs that are characteristically relivamt to

the study using purposive sampling technique. While other researches conducted in some quarters used questionnaires as instruments of data collection, this study employed interview as an instrument of data collection. This is deliberate in order to foster further interactions between the researcher and these women entrepreneurs as against mere filling of questionnaires. This method does not in any way invalidate the use of questionnaires but rather leverage on the possibility of having a further epistemic access into the psychic (thinking) of the selected respondents.

Having gathered the data, the analysis is done with the use of textual analysis which is the art of analysis and discussing texts as gathered from the primary respondents.

The lists of eighteen (18) items were presented to the selected women entrepreneurs and they were encouraged to pick and elaborate on 5 of them instead of just alluding to them. This is to further strengthen our understanding of the nature and dimensions of these motivating factors.

They motivating factors are below:

1. Economic independence,
2. Dissatisfaction with existing job,
3. Unemployment,
4. Seeking challenge,
5. Self interest,
6. Self prestige,
7. Traditional/hereditary,
8. Employment opportunities,
9. Financial assistance,
10. Technical knowledge,
11. Encouragement from family members,
12. Use of idle funds,
13. Infrastructural facilities,
14. Entrepreneurial experience,
15. Market potentials,
16. Family members interest,
17. Social status
18. Family background.

### **Delimitation of the Study**

The study focused on motivational factors influencing women participation in entrepreneurial activities in Ado-Ekiti, Ekiti State. It targeted only 5 businesses run by women in the division cutting across clothing, events planning and confectionaries, catering services and farming. And the choice of Ado-Ekiti is influenced by the fact that it is the capital of Ekiti State thereby having more female entrepreneurs who can effectively communicate in English Language.

### **Assumptions of the Study**

The following were the assumptions:

1. Respondents were truthful and honest and gave correct information.

2. The respondents were available and willing to give appropriate and reliable responses.

### Data Analysis

From the list of motivating factors, respondents were requested to pick five (5) factors in the order of importance and elaborate on how these motivated them.

Other two questions were:

What are the basic challenges you are facing as a woman entrepreneur?

How have you being coping or overcoming these challenges?

The five respondents answered these questions differently.

RESPONDENTS	MOTIVATIONAL FACTORS	CHALLENGES	COPING WITH CHALLENGES
Respondent 1 [EVENT PLANNING & CONFECTIONERY]	<ol style="list-style-type: none"> <li>1. Economic independence</li> <li>2. Unemployment</li> <li>3. Self Interest</li> <li>4. Family Background</li> <li>5. Financial Assistance</li> </ol>	<ol style="list-style-type: none"> <li>1. Lack of human resources</li> <li>2. Debtors</li> <li>3. Mishandling of rented equipment by clients</li> <li>4. Finance</li> </ol>	<ol style="list-style-type: none"> <li>1. Employment of contract staff/worker</li> <li>2. Take upfront payment of 70%</li> <li>3. Handle the equipment by myself</li> <li>4. Borrowing from cooperative society and from family members</li> </ol>
Respondent 2 [CATERING SERVICES]	<ol style="list-style-type: none"> <li>1. Dissatisfaction with existing job</li> <li>2. Self Interest</li> <li>3. Market Potentials</li> <li>4. Family Background</li> <li>5. Unemployment</li> </ol>	<ol style="list-style-type: none"> <li>1. Finance</li> <li>2. Unfaithful employees</li> </ol>	<ol style="list-style-type: none"> <li>1. Living within her means. Taking credit facility from suppliers.</li> <li>2. The use of contract Staff/Worker</li> </ol>
Respondent 3	<ol style="list-style-type: none"> <li>1. Family member</li> </ol>	<ol style="list-style-type: none"> <li>1. Finance</li> </ol>	<ol style="list-style-type: none"> <li>1. Taking money</li> </ol>

<p>[BAKERY AND CONFECTIONERY]</p>	<p>interest</p> <ol style="list-style-type: none"> <li>2. Self Interest</li> <li>3. Employment opportunities</li> <li>4. Encouragement from family members</li> <li>5. Technical knowledge</li> </ol>	<ol style="list-style-type: none"> <li>2. Unfaithful employees</li> <li>3. Time consuming</li> <li>4. Equipment failure</li> </ol>	<p>from other sources such as my husband's business</p> <ol style="list-style-type: none"> <li>2. Not relying on few of them. In other words, having enough Contract staff/workers</li> <li>3. Have accepted it as a necessity.</li> <li>4. Coping with it by having available technical hands.</li> </ol>
<p>Respondent 4 [FARMING PRODUCTS]</p>	<ol style="list-style-type: none"> <li>1. Unemployment</li> <li>2. Entrepreneurial experience</li> <li>3. Self interest</li> <li>4. Family background</li> <li>5. Economic independence</li> </ol>	<ol style="list-style-type: none"> <li>1. Finance</li> <li>2. Market resistance</li> <li>3. Debtors</li> </ol>	<ol style="list-style-type: none"> <li>1. Borrowing from cooperative and from family members</li> <li>2. Creating awareness through promo and free samples</li> <li>3. Patience</li> </ol>
<p>Respondent 5 [CLOTHING]</p>	<ol style="list-style-type: none"> <li>1. Self interest</li> <li>2. Underemployment</li> <li>3. Family Background</li> <li>4. Economic Independence</li> </ol>	<ol style="list-style-type: none"> <li>1. Lack of faithful and hard working manpower</li> <li>2. Debt</li> </ol>	<ol style="list-style-type: none"> <li>1. The use of relatives as workers</li> <li>2. Refusal to resell to a prolonged debtor</li> </ol>

	5. Financial Assistance		

## Discussions

From the five respondents, self interest rates as one common motivating factor for them. For them also, unemployment or underemployment is one common factor. The five respondents are graduates and some of them being Masters Degree holders. The socio-economic situations in the state throw people into becoming entrepreneurs. For instance, Ekiti State cannot boast of any industry except the higher institutions located in it. Ekiti State University is located between Ado-Ekiti and Iworoko Ekiti. Federal University is located in Oye-Ekiti. Afe Babalola University (a private owned institution) is located in Ado-Ekiti. Federal Polytechnic is located in Ado-Ekiti. The College of Education is at Ikere Ekiti. These are the institutions that could grant employment to the people either as Administrative officers or lecturers. Then the government is a major employer in Ekiti State since there are none private investments in terms of industries. Therefore, an average Ekiti man and woman are civil servants.

The bank sectors with their branches cannot absorb the teeming numbers of qualified graduates. What the people, including the women, are left with is to raise capital and go into private businesses. This is in tandem with ILO, 2003; Chelliah and Lee (n.d) (as cited in Abdel & Ali, 2013; Gadar & Yunus, 2009). In fact, Gadar & Yunus, (2009) argue that women entrepreneurs are mostly motivated by their perception and believe about the economic situation in the places their live. We can safely say that the economic pressure on the family motivated most of the women entrepreneurs in Ado-Ekiti, if not Ekiti State in general. All the respondents alluded to the economic pressure as a great factor for them.

Even because of the insufficient income that comes from working with the government as salary, most civil servants have their private business they do outside the structured working hours of the government jobs. The likelihood is there that the business runs with employees holding forth for the employers who are in turn the employees of the government (civil servants). One of the entrepreneurs noted that one of the motivating factors for her was the idle working hours as a civil servant. This means, she was underemployed. For that purpose, she entered into private business.

One common factor again is debt as one of the challenges they are facing in their businesses. What causes this is the fact that most people who patronize these businesses have not being paid by the government such that the entrepreneurs become a succor for those who cannot meet their basic needs of food, clothing, shelter and the rest. The respondents posit that not selling on credit in Ekiti State generally is not possible. To remain in business, they have to offer credit facilities with some eventually becoming bad debt for them. For them, to deny your customers credit facility is to begin to dig the grave for your business.

In the list of the challenges is either lack of manpower or lack of faithful employees. According to the respondents, most youths in Ekiti State are not interested in learning a skill or getting employed by a private business. This is because most businesses being patronized by



government workers are not thriving, hence, they feel their monthly salary could be under threat also. Thus, because of the need to meet their own needs, most employees are not faithful to the employers as they plunder the profit in the absence of their employer. According to the respondents, that is why they most times use contract staff especially for those in confectionary, events planning and bakery.

From the study, it seems obvious that our finding shows that women entrepreneurs in Ado-Ekiti are motivated more by the push factors than the pull factors. Even though the presence of the pull factors cannot be removed, the push factors take a higher percentage. Unemployment, underemployment and the needs to meet family financial demands are central to their adventures into the entrepreneurial world.

### **Conclusion**

The literatures reviewed in this study focused on why women enter into business and they have found common factors those women around the world regardless of context share which is the need for economic opportunity. In the study, out of the five respondents, we found self interest as a common motivator. This could be because of the peculiarity of our area of study which we have expanded on in the discussion section. To continue in business in Ado Ekiti, there must be self interest that serves as the inner motivating factor for these women entrepreneurs. Unemployment and underemployment, coupled with low socio-economic status of the area study motivated these women entrepreneurs to desire a change of economic status. This is in tandem with existing literature. However, surviving in the business world goes beyond the need for economic change of status; hence, the respondents noted their family background, family interest and available financial support from relatives, personal entrepreneurial experience cum technical knowledge as indispensable motivating factors.

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