

**Nota Penyelidikan / Research Note**

**Social System and Strategic Entry of Women Entrepreneur into Informal Economy in Lagos, Nigeria**

**Sistem Sosial dan Penglibatan Strategik Usahawan Wanita ke dalam Ekonomi Informal di Lagos, Nigeria**

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ABSTRACT

*Strategic entry of women into entrepreneurial activities and subsequent entrepreneurial development in informal economy within the social system has received little academic attention in spite of the fact that, entrepreneurship development is important to economic growth and decent work. It has also been found to promote quality of life. The focus of this paper is to examine the influence of social system in strategic entry of women into informal economic activities in Nigeria, using Yoruba women textile traders at Balogun market, Lagos State, South-West, Nigeria as a case study. The paper is anchored on Social action theory by Max Weber. The paper utilized only qualitative method of data collection. Eight focus group discussions, and forty In-depth – interviews were used to collect information from the women participants who were purposively chosen. The data reveal that parents, family members, and social friends had great influence in strategic entry of women into textile trading at Balogun market and subsequent development of women entrepreneurial activities. This information is essential towards policy formulation for women entrepreneurial development in informal economy.*

*Keywords: Social system, strategic entry, informal economy, women textile trader*

ABSTRAK

*Penglibatan strategik kaum wanita dalam aktiviti dan pembangunan keusahawanan dalam ekonomi tidak formal dalam sistem sosial hanya menerima sedikit sahaja perhatian daripada ahli akademik, walaupun pada hakikatnya pembangunan keusahawanan adalah penting kepada pertumbuhan ekonomi, dan meningkatkan kualiti hidup. Artikel ini memberi tumpuan kepada pengaruh sistem sosial dalam penglibatan strategik kaum wanita ke dalam aktiviti ekonomi tidak formal di Nigeria, berdasarkan kes kajian ke atas peniaga tekstil wanita Yoruba di pasar Balogun, Lagos Nigeria. Artikel ini ditulis berlandaskan teori tindakan sosial oleh Max Weber dan menggunakan data kualitatif. Sebanyak lapan perbincangan kumpulan terfokus, dan empat puluh sesi temu bual mendalam telah digunakan bagi mengumpul maklumat daripada peserta wanita yang dipilih secara purposif. Kajian ini menunjukkan bahawa ibu bapa, ahli keluarga, dan rakan-rakan sosial mempunyai pengaruh yang besar terhadap penglibatan strategik wanita ke dalam perdagangan tekstil di pasar Balogun, dan seterusnya dalam pembangunan aktiviti keusahawanan wanita. Maklumat ini adalah penting ke arah penggubalan dasar untuk pembangunan keusahawanan wanita dalam ekonomi tidak formal.*

*Kata kunci: Sistem sosial, penglibatan strategik, ekonomi informal, pedagang tekstil wanita*

INTRODUCTION

The focus of this article is to examine the influence of social system in strategic entry and subsequent development of women entrepreneurs in informal economy. Entrepreneurship development is important to society for economic growth, employment generation, home – based business and decent work (International Labour Organization (ILO) 2005). Entrepreneurial activities have been found to be capable of making positive impacts on the economy of a nation and on the

quality of life of people (Schumpeter 1934; Weber 1958; Adejumo 2001). Entrepreneurial activities have been recognised as one of the way out of poverty in developing countries. Entrepreneurship is a broad concept that is embedded in formal and informal economy of nations. The importance of women entrepreneurship in society cannot be overemphasized and their contributions to entrepreneurial activities remain significant globally.

Buttner et al. (1997), Yves et al. (2001), Minniti et al. (2003) and Aina (2003) have recognized the increasing influx of women into the field of entrepreneurship in

developing countries. Yet, while it is clear that more and more women are coming forward to set up enterprises in the informal economy, the rate of growth of such enterprises is hindered by myriads of problems for any meaningful entrepreneurial development. Despite women participation in entrepreneurship in informal economy, women still lack access to and control over financial and other forms of resource such as, limited access to key resources like land, credits, and other strategic resources needed for entrepreneurship development. Inability to adequately access these strategic resources serve as serious impediments to women enterprises development (World Bank 2009). This backdrop of information makes women entrepreneurship in much of the developing countries go little beyond informal business ventures, which ensures daily survival for women and their families.

Furthermore, Oyekanmi (2004) and Nyamnjoh (2005) succinctly stated that women contributions in informal economy seem to be invisible, given that the prevailing social system in which they seek and access opportunities have patriarchal context. These problems make the rate of business closure higher in Nigeria, especially among women (ILO 2007). The importance of women entrepreneurship has led some scholars to conduct research into constraints of women entrepreneurship in informal economy in order to highlight some of the constraints for policymaking.

Despite the constraints women's traders face in developing entrepreneurially in informal economy, some women entrepreneurs have successfully developed entrepreneurially in their enterprises, yet who influence these women's strategic entry into informal economy within the social system is yet to receive academic attention. Using women Yoruba women Textile traders as case study, this paper examines the influence of social system on strategic entry of Yoruba women textile traders at Balogun market, Lagos State, South-West Nigeria. The justification of this research is based on the fact that external environment is considered in literature as crucial and necessary for the success of enterprises and subsequent development. Such environments include the family members, social groups, community, neighbourhood, government institutions, religious institutions, and other reference groups.

The pertinent question that underlies this study is how and in what way (s) social system influences Yoruba women textile traders into textile trading at Balogun market, Lagos State, South-West, Nigeria. This research question will be answered in the light of the following objectives:

#### OBJECTIVES OF THE STUDY

1. Who influence the Yoruba women textile traders into textile trading at Balogun Market?

2. How do Yoruba Women Textile Traders access pre-phase information on the known and unknown risks in textile trading?
3. How and in what ways do women traders' access start-up capital for textile trading within the social system?
4. What are the initial goals of Yoruba women textile traders at the point of entry within the social system?

#### A TRAJECTORY OF SOCIAL SYSTEM AND WOMEN ENTREPRENEURIAL DEVELOPMENT

Social system is a central term in sociological systems theory. American sociologist Talcott Parsons popularized the concept of social system. He observed in his seminal work quoted in Onyeonoru (2002) that:

Social system consists of a plurality of individuals actors interacting with each other in a situation which has at least a physical or environmental aspect, actors who are motivated in terms of a tendency to the "optimization" of gratification", and whose relations including each other is defined in terms of a system of culturally structured and shared

In a simplest form, a social system consists of two or more individuals interacting directly or indirectly in a situation. The minimum requirement for a social system is the interaction of at least two personal systems or two persons acting in their roles. Anthony Giddens (cited in Haralambos et al. (2006)) also contributed to the concept of social system. *He observed that social system refers to a pattern of social relations that exists over a period of time and space.*

Social system is a plurality of individuals interacting with each other according to shared cultural norms and meaning. Wilkins (1976) noted that the sum total of all the ideal patterns of behaviour within a society makes up its social system. Ideal patterns of behaviour are generally quite distinct from actual behaviour, and form the part of the culture of a society to be handed down from generation to generation. These ideal patterns serve as a guide to the society in its attempt to train the individual and to guide the individual if he has to cope with a situation for which he had not been trained specifically. Ideal patterns are as it were precedents to which reference may be made if necessary.

On the other side, individual behaviour creates the social system in which they are parts. Very simple rules concerning individual behaviour can result in very complex properties on the group level. Emergent group level phenomena like group norms and values influence individuals and their interactions. This bi-directional causal relationship is at essence of complexity in the social domain. In all other associations created within social system, interpersonal relations are involved especially towards entrepreneurial development. Bourdieu (1986) term the social relationships or social networking that a person participates which produce

resources that individuals can use immediately or at some future time to achieve their own interests as social capital. He sees social capital as representing a distinct form of social relationship and investment strategies either pursued consciously or unconsciously aimed at producing advantages for the individual now and in the future. This investment either creates new relationships or transforms existing, contingent relationships such as those in the workplace, the neighbourhood, and the family or in the market. Social capital is believed to be useful for entrepreneurs for initiating, creating and building a business. Social capital is believed to be important in the pre-start up phase as it can be a significant source of information about opportunities and provides social support that affect entrepreneurial career path choices (Harding 2006).

Coleman (1988) argues that the instrumental nature of social capital is accessed through the entrepreneur's personal ties to others who may provide access to other forms of capital like financial, human, and physical capital. He further identifies three different forms of social capital such as obligations, expectations, trustworthiness of social relationships and informational channels and norms and effective sanctions. Obligations serve as the measure of exchanges similar to the role of money in the financial capital realm. Information is a product that can be exchanged through the engagement of social capital but cannot be distinguished from other goods and services except that the obligations that its exchange generates may be of relatively low value and transparent to the individuals involved. Finally, trustworthiness, the information channels, norms and sanctions provide the framework within which social capital circulates. Without these elements, social capital exchange would break down and individuals within a network would impose negative externalities on others by failing to fulfil obligations.

Ferlander (2007) identified different forms of networking ties essential for women entrepreneurial development. The author further classified different network ties into horizontal and vertical, Formal and informal networking ties. Explanation of this relationship calls for examining the types of interactions that link individuals in social group.

#### THEORETICAL FRAMEWORK

This paper is anchored on Max Weber (1958), Social Action Theory Human being actions are meaningful, they define situations and give meanings to their actions and those of others, as a result, they do not merely react to external stimuli, that is, they do not simply behave, and they act. If actions stems from subjective meanings, it follows that sociologists must discover those meanings in order to understand action.

Entrepreneurship development as a human activity is a social phenomenon whose essence is the entrepreneur. The entrepreneur interacts with members of her

community and other social actors who are involved in or affect his/her entrepreneurial effort. Social Action Theory identifies the significant impact of social system in enterprise formation. The members of social system greatly influenced the entrepreneurial intention among the women to become textile traders. The women traders do not just react to the invitations, but subjectively interpreted the invitation(s) in order to become textile traders. Not only do they influence the decision, they also act as mentors, and expose the new entrants to extensive networking within and outside the market.

The information on the indispensability of roles members of society (family, friends and other members of the community) play in enterprises formation and subsequent development are situated within the context of social action theory. All the explanations by women traders on their strategic entry into Balogun Market are part of subjective meaning attached to textile trading. Most of the motives and goals of starting textile trading are subjective to them and actions taken out of their own volition within their social-cultural context are to achieve their personal goals.

Significantly, scholars have stressed the importance of human volition in entrepreneurial development. Hutchias (1980) and Hofsedde (1984) have stated that human inferences are shaped by culture, the underlying contextual beliefs and value systems on which actions are based. The affective social action where emotion or impulse determines the means and ends of actions could be found in different ways from the actions of the women traders. The women traders consciously decide on the ultimate goals of their actions and, in consequence, systematically organize their actions to achieve goals.

Weber social action explains the subjective actions underlying the motives through the typologies of actions undertaken by Yoruba women textile traders. Whether described as traditional, effective, goal oriented rational or value – oriented rational action, the end-in-view is to ensure entrepreneurial development in textile trading.

#### METHOD OF DATA COLLECTION

This study utilized qualitative techniques in data generation. The choice of qualitative method is that it allowed us to gain valuable insights into the issue understudy through the subjective narratives of the respondents, that is, it gave us understanding from participant perspectives. Bryan & Burgess (1999) note that one underlying attribute of qualitative methodology is its strong adherent to viewing events from the viewpoints of the subjects. The primary data was collected using In-depth interview (IDIS) and Focus Group Discussions (FGDs), while the secondary data was collected from Archive to buttress the findings from the fieldwork.

The criteria for choosing the respondents among the Yoruba traders include:

1. Those that have been in textile trading for the past ten years;
2. Those that sell from shops, they may be either in retail or wholesale trading;
3. Those that have two apprentices and two informal employees working with them.

A respondent must meet the above criteria before can be chosen. The study also focused on women who had retired from textile trading and had succeeded in handing over the textile trading to one of her children or family members. The inclusion of this category is to have historical background on how they were influenced into textile trading at Balogun Market, Lagos.

There are eleven units that formed the whole market known as "Balogun Market". In all, the sample size for this study was thirty (30) for In-depth-Interview (IDIs). The selection includes; eleven women head of unit. Eight women textile traders who had retired from textile trading. We got the required number through snowball method. In addition, other eleven women traders that were purposively chosen across all the units were included.

TABLE 1. Characteristics of Women Respondents in IDI

No of IDIs	Categories
11	Women head of units
8	Women traders who had retired from active textile trading
11	Women traders (one in each unit)

Source: Fieldwork, 2011

TABLE 2. Demographic Characteristics of Yoruba Women in FGDS

No of women	Age Category
2	40-45
2	46-59
4	60 and above

Source: Field work, 2011

Eight FGDS (comprising between six women traders for each FGD), one FGD was conducted in each unit of the market. The selection of the respondent was based on homogeneity such as friendship and age group. The study utilized purposive sampling method. The study maintained geographical spread in selection of the sample by ensuring that all the eleven units of the Balogun Market were covered.

The qualitative data generated through IDIs and FGDS were analysed with the use of content analysis and ethnographic summary that was enhanced with computer analysis. This brought out the thematic views

through critical evaluation and verbatim quotations. Data reduction involved series of steps. There were no attempts to quantify any data, as attachment of numerical values to qualitative data is not only inappropriate but also unscientific in qualitative data reduction (Silverman 2006). The data collection and analysis for this study was done from August 2011 to February 2012.

## FINDINGS/ DISCUSSION OF FINDINGS FROM THE STUDY

### SOCIAL SYSTEM AND WOMEN TRADERS' ENTRY TO BALOGUN MARKET

Social system means the social group, social organization, city, community, and nations and family. In a simplest form, a social system consists of two or more individuals interacting directly or indirectly in a situation. The minimum requirement for a social system is the interaction of at least two personal systems or two persons acting in their roles. In this case, we examine social system as consisting of different individuals within the families and communities that influence people's actions, each actor acting his /her own role by provision of information to others.

Responses from qualitative information generated from the women respondents differ as to how they got involved in textile trading at Balogun market. Majority of the women respondents were influenced positively by their parents (Mothers) or members of their families, such as aunties or grandmothers, by their social friends. The implication of this finding is that respondents involved gained entrance into textile trading by the people available to them within their social system. This findings show the importance of family members and relations in enterprises formation. Kantor (1999) and Iheduru (2002) had earlier saw family influence as the antecedent of women entrepreneurial development. Earlier studies have also shown that family members play important roles in enterprises formation (Dummet 1983; ILO 2003; 2005; 2007). Recent studies by OECD (2009) and Chea (2009), also found out the same result that family members had great influence in individuals' enterprise formation.

The social capital available to them within the social system are these significant others in their lives. There was no one among the respondents who mentioned that she was into textile trading without an influence of one or two members of the society in which she lives. Deductively, it may be reasoned that Balogun market may be "closed" to those who are outside these networks. In other words, the market seems "closed", even when it seems "open" to everyone. Yet, entrance is not by formal application. There must be an "insider" or "in-market facilitators" to make entry possible. A woman respondent in IDI corroborated this view.

It is not just possible to enter into Balogun market without assistance of someone, or without prior knowledge of how things are working here. You just need someone here who will assist and guide you on this textile trading. How will you know how much to get a stall or a shop? How will you know how to start this textile trading? Either you need someone who will mentor you, or you have a family who is already in the market (In-depth interview, 48 years, October 4<sup>th</sup> 2011).

In line with this view is Portes (1998) who sees social capital as working product of interpersonal networks, contact, knowledge, and related human resources. However, the methods by which these groups of people influence women respondents into textile trading them differ and of different dimension from their responses. A participant in a focus group discussion explained how she entered into textile trading at Balogun market:

I started following my mother (as she made it compulsory for me) to the market right from primary school days until I finished my West-African School Certificate (WASC). All along, I was learning the trade while I was still attending school. After my West-African school certificate, I decided to go into the textile trading instead of going to the university. I could say that my mother influenced my decision to start this textile trading (FGD, 55 yrs old. 11 September 2011)

The response shows that the respondent had been socialized and prepared entrepreneurially especially into textile trading at an insistence by her mother. Family (Mother) is the first socializing agent and the major bedrock of original socialization (Bassani 2008). More so, Scholars had considered training as one of the components of human capital, which is crucial and critical to entrepreneurship development. Aina (2005) succinctly states that human capital connotes the totality of the knowledge, skills, the talents, the energies, and all the potentials of human being. This suggests that human capital is a form of resources that can be acquired, built up, and developed. In essence, the development of human capital is to ensure that they acquire meaningful and productive skills that enhance their capabilities to engage in productive activities that lead to earning of livelihoods. By implication, human capital development leads to improved capability and ultimately reduction in poverty (Olaniyan & Bankole 2005)

The respondent's method of entry was however different from other respondents. Another woman respondent in the focus group discussion explained her entry into textile trading at Balogun market:

After my West-African school certificate in the 80s, I joined the Lagos state Civil Service as a clerical officer. However, after I got married, I realized that my salary together with my husband's salary could not sustain us till end of the month; I decided to go into buying and selling. Fortunately, I had a friend at Balogun market, who gave me textile materials on credit to sell. After some years of doing this, I decided to resign my appointment and joined my friend in the market (FGD, 52 yr old woman, 9<sup>th</sup> October 2011)

Another woman respondent in an in-depth – interview revealed that:

I worked with Chellerams Nigeria Limited after my West-African School certificate. I was working in their textile section. Therefore, I had already known much about textile trading from the experience I gained working with Chellerams. After my retirement, my Aunties (Alhaja's senior sister) who had been in trading for long gave me a stall near her shop to start my textile trading (IDI, 58 years, 9<sup>th</sup> September, 2011)

Another woman respondent in a focus group discussion gave another interesting revelation on how she got involved in textile trading:

When I was working, I was sending some amount to my sister at Balogun market to trade with, after my retirement; she rented a shop for me and gave me some textile materials to start my own trading (FGD; 55 years, 11<sup>th</sup> September, 2011)

The backgrounds of the three respondents above show that they had acquired skills in previous employment apart from the social capital available to them that was utilized to enter into textile trading. The plan to enter into textile trading was on why still working at formal organizations. The implications of this finding is that their actions are not reflective actions but socially constructed deliberate actions (non-accidental actions-social actions), which Weber refers to as rational and legal to achieve an end. Different models of capital available to them drive their actions into textile trading (human, social, economic, and cultural). This finding contradicts ILO (2007) report that majority of women in informal economy choose their trades by accident rather than been prepared entrepreneurially.

Arguably, those that influence the respondents to textile trading had subjective meaning attached to being self-employed. The subjective meanings attached to textile trading propel them to take action by inviting others within their network to textile trading. In an IDI, a woman respondent illuminates this view:

My sister always tells me to leave government job for textile trading any time she come visiting. She will always say "*Ise Omo ala se Jeun, Owo omo alase la*" (Literally translation-Employment is for survival, while trading is for success" (IDI, 50years, 4<sup>th</sup> November, 2011).

The existence of wealthy traders and value attached to textile trading within the community encouraged others to strive to be wealthy. The subjective meaning attached to this response is they must be successful. Action is Social when it takes account of other members. People do not react automatically to external stimuli, they interpreted the meaning before responding to the stimuli. The invitation acts as stimulus to enter textile trading. Thus, the invitation by the insider acted as incentives for others to join the market. In a case study with Alhaja BMK, she stated;

I had been involved in garri (Cassava) business before I started dealing in textile materials. I used to take bags of garri (cassava)

from Lagos to Maiduguri by train. But the profit was not much, so my friend who was a textile dealer encourage me to leave garri business for textile trading. Therefore, my initial goal of entering into textile trading is to be buoyant economically and live a wealthy life as some of her friends were living (Case-study, 60 years, 19th November, 2011).

Apart from these methods, one other method of entry into Balogun Market is through inheritance. This means that textile – trading at the market had survived some generations. This finding is pertinent as the finding contradict Forrest (1999) findings that small enterprises in informal economy do not survive at the death of the owners.

A woman in an in-depth interview explained her entry into textile trading:

I inherited this textile trading from my mother. My mother inherited the trading from her mother. I knew about textile trading before I travelled abroad. My mother is retired now. Therefore, I had to take over. (IDI, 40 years, 5th December, 2011)

Another respondent explained how she got involved in textile trading.

I came from overseas (London) to take over this trading. After the sudden death of my mother, I had to leave my base in London and settle down here. I do not want this textile business to go down the drain. More so, I am the first – born of my parents and the only female, the others (IDI, 43 years, 7th October, 2011)

Table 1 presents the summary of members of social system that influence women respondents into textile trading. The black areas show that Family members, Social friends and Parents were the significant people that had influence on women respondents. The deep blue areas show that members of religious organizations, community members do not have any influence on women entry into textile trading at Balogun Market. In addition, none of the respondents mentioned that she was into textile trading through her own personal efforts.

TABLE 1. Strategic Point of Entry into Textile Trading at Balogun Market

Point of entry	Commonly Mentioned	Not Commonly mentioned
Family members	√	
Friends	√	
Parents	√	
Religious Organizations		√
Community Members		√
Personally		√

Sources: Primary data, 2011

It was not surprising that some women traders inherited textile trading from their mothers and grandmothers as revealed by the respondent, for the phenomenon of inheritance of textile trading from one generation to another at the market is revealed in Archival

documents. Archival documents such as; (Kajola Women Textile Dealers Association” registered under Business names ordinance no 28210 and Faji Market women textile traders Guild “registered under in Nigeria and established in 22/3/1939 (The Commissioner of the colony 1939) testified to the fact that indigenous women have been involved in textile trading during colonial period. However, the way women during colonial period were influenced into textile trading differs from the strategic entry by the respondents. During an in-depth interview with a key informant about the historical involvement of Yoruba women in textile trading at Balogun market, the respondent illuminated on this issue;

“During the Colonial period, among the company who came to trade in Nigeria was “CFAO”. At the inception of CFAO in Nigeria, one organ of the company known as “Qualitex” engaged in importation and distribution of textile materials. Because the Lebanese and Syrians could not penetrate to the grass root, especially to the indigenous women, intermediaries were then sought after. Qualitex personnel started sniffing and making enquiries on wealthy women who had earlier been engaged in long-distance trade. These invitations brought out wealthy women who had returned from long-distance trade into textile trading at Balogun market”(KII, Male, 55years, 10<sup>th</sup> August, 2011)

This finding from the archival documents gave us the background of involvement of large number of women in textile trading at Balogun market. The response was in line with Mabogunje (1964) version of how Yoruba women got involved in textile trading at Balogun market. In any study that involves developmental issue, historical information is important as it takes us to the history in order to have bases to analyze the present and at the same time enable us to project into the future.

#### ACCESS TO ENTREPRENEURIAL RESOURCES WITH THE SOCIAL SYSTEM START-UP CAPITAL OF YORUBA WOMEN TEXTILE TRADERS

The start-up capital, however, small is a fundamental variable that should help explain the ultimate success of women enterprises. This is viewed as being important given that access to financial resources is gendered within the socio-cultural context in African societies. Studies have shown that women who want to start businesses are always at disadvantage when it comes to securing funding, especially the start-up funding (Common Wealth Report 2002; UN 2009). The lack of both start-up and working capital limits the size, type, and location of women-owned enterprises (CIPE 2009). Against this background information, the study specifically asked about the pre-phase start-up capital within the social system that is considered as important in starting enterprises (Table 2). Majority of the women respondents gave diverse options on how they secure start-up capital. However, given the period during which the two groups (younger and older ones) started

textile trading, we compared the access to start-up capital between the younger women and older women differently (Table 3).

TABLE 2. Start-up Capital in Textile Trading by Younger Women

Sources of start-up capital	Commonly expressed	Not Commonly expressed
Through Inheritance	√	
Personal Savings	√	
Loans from Spouse	√	
Loans from Cooperative society		√
Pensions and Gratuity		
Loans from family Members		√
Loans from Financial Institutions		√

Source: Primary data, 2011

TABLE 3. Start-up Capital in Textile Trading by Older Women

Sources of start-up capital	Commonly Expressed	Not Commonly Expressed
Inheritance	√	
Personal Savings	√	
Loans from Spouse		√
Loans from Cooperative		√
Pension and Gratuity		√
Loans from family members		√
Loans from the Banks		√

Source: Fieldwork, 2011

Table 2 indicates that among the younger and older women trader, access to start up capital through inheritance was common to the two groups. When asked to explain the meaning of the inheritance to us. The concept of 'inheritance' was explained differently by younger and older women.'

Among the younger ones, some inherited the textile shops from their mothers. A woman respondent explained:

Well, my grandmother had started this textile business before my mother took over from her. After my graduation from the university, I started coming here to help her sell. Now, I am in charge of the shop. Nevertheless, I cannot categorically say how she (my grandmother) got the money to open this textile shop. All she normally tells us was that she started with small amount'' (In-depth-interview, 48 yr old, September 11, 2011)

Her explanation of inheritance was different from a 65 years old woman during focus group discussion.

I started this textile trading with "Owo Ogun' (Money inherited from late parents' properties)". When the properties of my late father were shared, I remembered very well that I got forty pounds as my own share. I used that amount in starting this trade. I did not start on borrowed money. It was quite a lot of money then. Since I had earlier been interested in textile trading, I used part of the money to a get a shop with the help

of a friend and the remaining money, I travelled to Austria with a friend to get some textile materials. that was how I was able to secure money for this textile trading (FGD, 65 yr old 13<sup>th</sup>, November, 2011).

Some of the scholars are yet to capture this finding as source of startup capital for enterprise owners. Inheritance (properties or cash) has greatly helped in securing start-up capital for enterprise formation. However, others who do not have opportunity of inheritance had to explored other means of securing start-up funds. Among the other options in getting startup loans is through personal savings. This option was however mentioned by both the younger and older women in the course of data collection. This means that prior to starting the trade, most women had other means of generating income. In this case, some of the women respondents had earlier been working with government or private institutions. The income from these jobs was invested in anticipation of starting textile trading.

A woman respondent gave an interesting revelation of start-up capital through personal savings during an in-depth interview.

When I was working, I was sending money to my Aunty who was then into this textile trading at Balogun market. I did this consistently for about 5-8 years. Thereafter, I resigned from my place of work; she gave me a stall with some materials to start with. I also use part of my gratuity to buy more materials until I was able to rent a shop of my own. I could therefore say that, I started this business with my personal savings and my gratuity. Most of us that were working then (In formal organizations) and had relative(s) selling in the market, this was the method we used to start to secure our start-up capital. Infact, my aunty who influenced me into this textile trading proposed this method to me, and was always encouraging me to leave government job for trading. She always says: *ise omo ala se jeun, owo omo a la se la, agbodo se a se la* (Literally means; paid employment is for survival, while trading is synonymous to success and we must be successful (in-depth-interview: 50 yrs, October 5th, 2011)

This finding confirms the finding by (ILO) 2003 findings that, women entrepreneurs in Tanzania use their personal savings to start business. Historically, evidence had shown that many of the would be traders started with personal savings by engaging in domestic production over a period. The proceeds from this were usually saved and if they were substantial, one could use them as initial capital for trading (IKPE 1996).

None of the respondent either among the older women or the younger ones mentioned that their startup capital was a loan from cooperative societies or financial institutions. Some of the major reasons why loans from the bank was not sought for by the women as start-up capital was because of collateral which the banking and formal institutions ask for, and most especially the interest rate which most women fear will impact negatively on their trading.

This finding confirms other scholars' findings that women do not receive financial support from any

financial institutions to start their businesses. Majority of women start their business by means of personal savings or through access to traditional collective savings (Idowu and Salami 2010). However, on the other hand, World Bank (2008) survey of female micro-entrepreneurs in Zimbabwe found that only five percent of their respondents received formal credit while 75 percent of the surveyed women obtained finance for their capital needs from personal savings and family grants. Among the younger group of women respondents, unlike older women, loans from spouses were mentioned as one of the source of start-up capital. This can be explained by the fact that many of the spouses of the respondents may hold / have held managerial posts or professional positions, thereby being in a better position to support their wives. After the initial success of securing start-ups capital, how did women traders' access pre-phase information within the social system on the known and unknown risks associated with textile trading, and what are the known and unknown risks associated with textile trading.

The Table 4 shows that the known risk for possible collapse of textile business would be inability to rectify the startup capital. A woman respondent in FGD illuminates on this issue:

TABLE 4. The Known and Unknown Risk(s) at the Point of Entry into Textile-trading

	Commonly mentioned	Not Commonly mentioned
Rectification of start-up capital	√	
Government interferen		√
Competition from women traders	√	
Innovation and ideas		√
The demand of textile trading	√	
Not passing fault to others	√	

Source: Fieldwork 2011

One risk that holds up this textile business from growing is to rely only on the start-up capital. Women traders must find a way to add up to start-up capital, as the capital after the long run will not be enough to run the business. Start-up capital funding situation must be rectified, or else it is likely for one to run out of the business. One last thing any woman trader wants to experience is to be held down by lack of capital, or close her shop after starting the textile-trading (FGD, 48 years, 7th October, 2011)

Competition from other women traders in unit is also a known risk. As other women traders are likely to attract customers of one another, yet, physical fighting or trading vulgar words between one another is prohibited. Any woman caught with attitude that does not promote decency within the market is likely to have her shop close or fined with a large amount. Another known risk mentioned by the women in focus group among the younger and older women traders is the demand of the trade. The demand includes taking the woman away

from their homes and getting to the shop early. Textile trading is a trade that requires sensitivity and agility. In a focus group discussion, a woman among the younger ones narrated her view on this issue:

Highly successful women business owners will tell you that they see themselves as being in charge of their own destiny. Things do not happen to them-instead they make things happen. These women are take-charge types who not only take responsibility for themselves but for others as well. You will not see these women "passing the buck"; almost universally, they share the attitude that "the buck stops with them." To be as successful entrepreneur, you must be willing to put in long hours and have intense commitment to the success of your business (FGD, 52 years, 27 September 2011)

#### INITIAL GOALS OF YORUBA WOMEN AT THE POINT OF ENTRY INTO TEXTILE TRADING

The effects of family members, parents and social friends influence on entrepreneurial decision varied from one-woman respondent to another. This was reflected in the expression of their goals at the point of entry into the market. One of the most revealing activities was the listing of goals when each participant initially started their own business. In our analysis, the specific content of the goals was broken down into key goal types. The initials goals of Yoruba women traders fell into eight goals characteristics that they expressed more often. We make an in-depth analysis of these goals. However, women in textile trading were not analyzed as a monolithic category. We categorized them into two groups. This was based on the belief that the norms, beliefs, attitudes at the time of entry are not statics, but dynamic in nature.

Table 5 and Table 6 show that among the initial goals expressed by younger women and older women at the point of entry are somehow similar, these include financial security goal, personal goal, business goal, and monetary goals. All the goals set by the younger women and older ones are economically motivated. Scholars have opined that goals set at the beginning of a business are very important as it determines the coping mechanism one will adopt in case of any challenge in the business (Okafor 2010). Scholars were also of opinion that women

TABLE 5. Initial Goals of Young Women Textile Traders at the Point of Entry into Textile Trading

Goals	Commonly expressed	Not Commonly expressed
Financial security goals	√	
Long-time goals		√
Short-time goals	√	
Expansion oriented goals		√
Medium time goals		√
Personal goals	√	
Business focused goals	√	
Monetary goals	√	

Source: Fieldwork 2011



who enter into a business in order to combine work roles and family roles together are likely to close business than those who are economically motivated (Chen 2009).

TABLE 6. Initial Goals of Older Women Textile Traders at the Point of Entry into Textile Trading

Goals	Commonly expressed	Not Commonly expressed
Financial security goals	√	
Long-time-goals	√	
Short-time goals		√
Expansion oriented goals	√	
Medium time goals		√
Personal goals	√	
Business focused goals	√	
Monetary goals	√	

Source: Fieldwork 2011

## CONCLUSION AND RECOMMENDATIONS

The study found out that majority of Yoruba women textile traders were influenced into textile trading either by their mothers, out members of their families or social friends. Family members play important roles in enterprises formation; the following organizations and scholars (ILO 2005, 2007; OECD 2009; Chea 2009; Afolayan et al. 2011) have stressed this fact. Within the social system, most of the women respondents who inherited the business from their mothers had earlier been socialized and prepared entrepreneurially especially into textile trading. While some of the women had acquired skills and competencies prior to starting textile trading. Some were self-employed, while some were in employment of government or private organizations. This finding shows that women respondents had acquired prior skills or experiences before coming into textile trading. Furthermore, Mothers, family members, and social friends that had influenced them positively into textile trading also played crucial roles in facilitating their start-up within the social system. There was no one who mentioned that she was into textile trading without an influence of one member of the society in which she lives. Dummet (1983) in his research among the Ghanaians and ILO (2003), in its research among Ethiopian women had found out the same result that family members had great influence in individuals' enterprise formation.

One important fact emerges from this finding especially from those women who inherit the trade from their mothers. Textile trading at Balogun market succeeds the owners. Majority of the women respondents inherited the trade from their mothers, this finding contrast the views of some authors that say women business especially in informal economy die with the death of the owners (Forrest 1995).

The study also reveals that start-up capital is fundamental in explaining the ultimate success of women entrepreneurs. Many of the women respondents inherited the textile trading from their mothers. Some started with personal savings that they had saved over the years through a unique way as earlier discussed in section four. Others started with loans from spouses and other family members. Scholars had earlier found in different studies that women in informal economy started their enterprises with personal savings, loans from spouses and from family members (Olutayo 2005; Olutunla 2008).

The knowledge of women on unknown and known risks involve in textile trading are acquired from their mentors. The first role or information given to them was the risks involved in textile trading as each trading has its own peculiar way of transaction. The known risk of textile trading is to rely on start-up capital for continuation of the trading. For the start-up, capital may not be enough in running the business after removing the over-head cost. Therefore, it is important to rectify the start-up capital. The demand of textile trading is another known risk, which is involved in textile trading. This means that textile trading requires so much vigor, focus, and time consuming and anyone who is not prepared to pay the price may be at a loss. The ability to shift personal blame and to pass it to another is another known risk in textile trading. This finding leaves open a knowledge gap in literature on the known and unknown risks of any business formation, whether women traders acquired adequate knowledge of risks before venturing into enterprise formation.

The study found similar results of initial goals at the point of entry of both the young and older women entrepreneurs. Among the goals set by these set of women include; financial security goals, monetary goals, personal goals, and business focused goals. This finding points out the importance of setting economic goals in pursuing in one's business. This finding is in line with Campbell (1992) which highlighted the importance of economic motives in one's decision to become an entrepreneur.

These findings are important in incorporating family members as mentors in policy formulation for women entrepreneurial activities in informal economy in developing countries. This study argues, based on the findings that early socialization of children seems to have a significant effect on their choice of future careers. It is important to encourage women entrepreneurs to socialize their children into the activities they are engaged in, so that the children can develop the skills, interest, and motivation to be a successful entrepreneur.

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