

Characterization of Government Entrepreneurial Human Capacity Building and its Impact on Business Profile of Women Entrepreneurs in Abia State, Nigeria

Iroegbu O. M.*

Department of Industrial relations and Personal management, College of management sciences, Michael Okpara University of Agriculture umudike, Nigeria

Ubaru L. C.

Department of Industrial relations and Personal management, College of management sciences, Michael Okpara University of Agriculture umudike, Nigeria

Abstract

This study evaluated the extent of inclusion and participation of Women in Human capacity Building of a State in Nigeria. One hundred female business owners who graduated from skill acquisition centres of Abia state were randomly sampled to determine access to capacity building programmes, relevance of skills offered in programmes and type of business operation. Results showed that the 30% women affirmation policy as implemented by Abia State Government is an important factor in women entrepreneurial development. The Human Capacity building of Women entrepreneurs are tailored as stop gap. Even as petroleum producing state with strong financial base, her human capacity building strategies lack depth and are less consistent with entrepreneurial goals of women with tertiary level education. Irrespective of the state cosmopolitan status the human capacity building strategies are challenged by male dominated bureaucracy and cultural perception of female roles. A significant number (68%) of women endorsed government policies. Seventy (70%) percent of women with tertiary education level viewed the skills offered in human capacity building as irrelevant to their training needs and entrepreneurial aspirations. Financial independence and Technology knowledge base influenced choice of business operations. The service sector was observed as the predominant choice of women. Empowerment support facilitation was suggestive of gender disparity in capacity building programmes.

Keywords: Entrepreneurship; Women; Capacity building; Business.



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1. Introduction

1.1. Brief Overview of Entrepreneurship in Nigeria

The Role of entrepreneurs is shaping national and global economy has been identified as important driver for economic and social development. Economic growth, productivity, employment and empowerment are key components of Government and private sectors synergistic strategies towards the buildings of entrepreneurial culture, development of skills, financial inclusion, policies and appropriate conducive entrepreneurial ecosystem in Nigeria. Government policies and institutionalized regulations determine the ease or difficulty with which entrepreneurs are able to set up business (Otokiti, 2012). Development of skills, employment, facilitation of financial inclusion and access to capital are all linked to government regulatory mechanism of business environment. The activities of the private sector organizations in support of entrepreneurship are geared towards corporate social responsibilities. These may include social investments, advocacy and direct interventions in business development and skills development of budding entrepreneurs. The totality of the synergy between government and private sectors is significant in building human capital, employment and empowerment (Damuchi, 2011).

The major determinants of entrepreneurship within Nigeria Ecosystem (Anyadike *et al.*, 2012; Iheonunekwu, 2003) are

1. Research and Development
2. Business support
3. Access to Resources
4. Access to markets
5. Financial support
6. Human Capacity building for entrepreneurs
7. Government polices and regulation of business ecosystem.

All the major determinants but policy and statutory regulations are influenced by the joint actions of Government ministries, Parastatal, Non-Governmental Organizations, Donor Agencies multinational corporations, financial institutions, Academic and professional bodies and business accelerators. Government Policies and regulations are derived by legislation and impact on the operations of other institutions within the entrepreneurial ecosystem. Government policies and regulations at the federal, state and local levels moderate the operations stakeholders in entrepreneurial development in order to maintain a positive synergy within the ecosystem.

Women contribution to economic, social and political development through entrepreneurship is unexploited. Factors such as gender roles, inheritance of family assets, low human capacity, access to education, preferences for male-male business networking and absence of financial guarantee are some of socio-economic limitations facing women entrepreneurs

2. Overview of Entrepreneurial Ecosystem of Abia State Nigeria

Abia State Government in collaboration with federal and local governments, NGOs, Corporate Institutions and Academia are working assiduously to put in place infrastructure, incentives and resources to promote the entrepreneurial ecosystem of the state. Ministries, Extra-ministerial Department and Agencies and local governments of Abia State, NGOs and Donor Agencies, Oil and Financial Institutions, entrepreneur development centres, Accelerators/incubators and Academic are the key players that pull their resources together to promote entrepreneurial development.

Among the objectives of the State Government in the promotion of conducive entrepreneurial ecosystem for the state (Abia State Government, 2015).

- i. Formulation of policies that nurture successful business environment for all classes of entrepreneurs.
- ii. Provision of infrastructure, research and development and collaboration (public-private sectors) for entrepreneurship
- iii. Nurture existing and budding entrepreneurs through mentoring coaching etc for success in business.
- iv. Capacity building through provision of entrepreneurship programmes such as training, vocational skills acquisition, entrepreneurship course at educational institutions, development of business cluster and incubators etc.
- v. Facilitation of access to funding from financial institutions and counterpart funding of Donor Agencies.
- vi. Re-orientation of the mindset of unemployed Youths and graduates of educational institutions for self-employment and empowerment through entrepreneurial education.

Abia State Government has a 30% women affirmation policy in place for women participation in employment, politics and other government programme (Abia State Government, 2015). The policy encourages women participation in entrepreneurial human capacity budding opportunities of Abia State Entrepreneurial ecosystem. Though laudable, the policy is challenged by manner of implementation especially in a male dominated society. The male dominance of the ecosystem accords prime recognition to males. Such that access to human capacity building, vocational skills and other entrepreneurial support programme are inadvertently tailored to suit male entrepreneurs.

To achieve the objective of entrepreneurial human capacity building of women of Abia State, it important to examine how aspiring female entrepreneurs are included in the entrepreneurship human capacity building, what limits access and enrollment, types and relevance of vocational skills offered in skill acquisition centres and the choice of business operations of female entrepreneurs.

Entrepreneurial capacity building is essential in any entrepreneurship development process (Sarwoko *et al.*, 2013). It is the process of creating self-awareness and development of individuals creative and innovative potentials for exploitation of business opportunities (Ogundele *et al.*, 2012; Teixeira and Pato, 2013). Without doubt it has been established that in any entrepreneurship process, individual skills, knowledge and experience play important role (Sarwoko *et al.*, 2013)

This study aimed to evaluate the character, components of entrepreneurial human capacity building programmes of Abia state and the participation of women by addressing the questions of inclusion and relevance of Human capacity building skills to women. A conducive business ecosystem will be less useful when there are no individuals with the right knowledge, skill and attitude to start and run successful enterprises. Hence the significance of this study is underscore by the objectives of the study. It was envisaged that the results of this study will assist Government mechanisms at improving women inclusion in entrepreneurial human capacity building programmes.

3. Methodology

This study was carried out as a survey designed to explore the policy and institutional framework used by Abia State Government for entrepreneurial Human Capacity building, factors that influence access to Human Capacity building programmes by females, relevance of vocational skills to potential female entrepreneurs and business profiles of female beneficiaries. A simple Random Sampling techniques was used to obtain Primary data. A total of one hundred (100) female business owners who benefited from of Abia State Government Human Capacity training for entrepreneurs between 2012 and 2016 were sampled using a 21 question structured questionnaire.

The questions were on Access to capacity building, relevance of skills and business operations. The consistency and validity of the questionnaire were pretested using 30 business outlets in Umuahia South. Abia State, and further modified by Human Resources experts of the Department of Human Resource Management, Michael Okpara University of Agriculture, Umudike, Nigeria. Cronbach alpha values of instrument was 0.76. Twenty one male counter part of females who own businesses in umuahia metropolis were used as control in evaluating the responses of female business owners.

The survey was complemented with interview of Government Desk officers of State, local Governments and Non-Governmental Organizations responsible for programmes of Human capacity building for budding entrepreneurs. Review of Government gazettes and publications provided the secondary data. The data from primary source was statistically analyzed with SPSS version 20, tabulated and used for interpretation of findings at 95 % confidence.

4. Findings

4.1. Entrepreneurship Human Capacity Building of Abia State

Entrepreneurial capacity building in Abia State is undertaken by the synergy between governments (federal, state, local) and other capacity building providers. These key players identify and train entrepreneurs in order to nurture their business culture through exposure to entrepreneurial skills in the 3 senatorial zones of Abia State.

Emphasis is on vocational education in technical schools, skill acquisition through hands-on-training under Apprenticeship programmes in skill acquisition centres and government certified private trainers and entrepreneurship courses at tertiary institutions e.g. Abia State University Uturu, Abia State Polytechnic Aba and College of Education (Technical) Arochuku. Niger Delta Development Commission (NDDC), Abia State Oil Producing Development Commission (ASOPADEC), Industrial Training Fund, Central Bank of Nigeria, Politicians and Bank of Industry (BOI) are key Government stakeholders in the entrepreneurship capacity building of youths.

The major trust of these agencies is the development of entrepreneurial culture and empowerment of the unemployed. Abia State Government has leveraged on the efforts of federal government through industrial training fund, Bank of Industry and Central Bank of Nigeria to provide opportunities for entrepreneurship and empowerment of underemployed youths with technical, vocational and business skills in partnership with Abia State. There is the South-East Entrepreneurial Centres in Umuahia. Set up by Central Bank of Nigeria to train 2000 per year and assist budding business startups with take off grants (Awogbenle and Iwuamadi, 2010). The Bank of Industry Youth Entrepreneurship support programme (YES) provides training on business articulation as a condition for access to her entrepreneurship funding programme, (News Agency of Nigeria 2016). Participants with bankable proposals are given access to up to N1billion. There is a state government assisted Business incubator in Aba to accelerate Research and Development, business opportunity and identification among entrepreneurs. Within Abia State Entrepreneurship Ecosystem, the State owned skill Acquisition centres and the CBN South-East Entrepreneurship Development Centres are the most active in the entrepreneurial capacity building (Oborah, 2006). In these centres vocational and technical skills taught include ICT skills, plumbing, hair dressing, sewing, soap and paint making, house building, interiors decoration, capacity etc. Though rudimentary, these skills are provided as stop gap intervention measures to address raising unemployment, for self-reliance, job creation and economic empowerment (Awogbenle and Iwuamadi, 2010).

4.2. Abia State Government Entrepreneurship Development Policy

Abia State Government has programmes and policies to support skills development, entrepreneurship training and entrepreneurship infrastructure. Business incubation/accelerators, mentoring and export promotion are other important measures used to boost entrepreneurship in the state. Governments ministries and Agencies are responsible for these policies and programmes. The state has 30% affirmation policy and strategies targeted at women for development of their human capacity. Certain institutional framework, technological provisions and leadership at vocational skills acquisitions centres favour women.

There are 3 zonal skill centres in addition to the Central Bank of Nigeria and Abia State owned, South-East Entrepreneurship development centre in Umuahia. In these centres emphases are on soft skills such as fashion design, hair styling, interior decoration, catering, photography, welding, leather works, block moulding, computer training. These reflect the some of inherent stereotyping of the societal socio-cultural view of women. About 80% of these programmes are geared at acquisition of skills needed for entrepreneurial success, direct assistance with equipment, infrastructural development. Support for access to commercial bank financing is low. Only 30% of the respondent claimed to have benefited from the state government grant facilities or direct equipment support scheme. Among the women entrepreneurial 60% felt that government policy is favourable. Which was significant ($p < 0.05$) when compared with 28% (contrary opinion) and 12% remaining unsure respondents.

4.3. Access of Women to Entrepreneurship Capacity Building

Response information on Access to human capacity building (Business and vocational skill acquisition) in Abia State is presented on Table 1. Lack of Information, Low knowledge base, culture and managing business and family were significant factors posing challenges to access of human capacity building by women. Profile of respondents were tertiary education (38%) as against 62% without tertiary level education. Information about capacity building is important for far reaching impacts. Majority of the respondent considered cultural factors as most critical challenge. Cultural perception stereotype women as home makers instead of business owners. Sixty one percent of respondents as married with children and have business within the metropolis. Thus were faced with both business and domestic challenges.

Seventy (70%) percent of the tertiary level graduate were aware of the programmes but declined attendance because of the type of vocational skills offered by the entrepreneurship human capacity building programmes of the State.

Table-1. Factor loading for Access to Human Capacity Building

Items	Factors loading
Government Policy	61
Lack of Information	73
Low Knowledge base	67
Level of Education	69
Culture	89
Managing Family and Business	77

4.4. Relevance of Human Capacity Building Programme

Relevance of the Human capacity building programmes to women was evaluated using a three point scale (3 = extremely relevant, 2 = Relevant, 1 = Not Relevant). Relevance of the programme was observed as significant ($p < 0.05$) to their desires of non-tertiary level certificate holders. Respondents with tertiary education felt that the human capacity building skills as not relevant to their plans for enterprises. This result on relevance of skills offered by programmes is in agreement with the findings of Ebong and Asodike (2011) and Amadi (2012) on youth vocational training and preferences. Training curriculum and equipment assistance (support) were the bases for judgments of the respondents. Females with tertiary level education considered the skills offered too low to meet their entrepreneurship goals. Amadi (2012), reported some of the preferential factors based on perceptions of capacity building among youths to include type of vocational skills, relevance of offered skills to entrepreneurial motivation, level of education of participants and peers influence/socialization.

4.5. Motivation for Entrepreneurship

Motivation for entrepreneurship (Table 2) indicated financial independence as significant. Next to financial independence were unemployment, interest in entrepreneurship and personal independence over one’s life in descending scale. As expected unemployment was a significant factor next to financial independence. Unemployment level of Abia state is higher than that national average of 11.9 %.

Table-2. Motivation for Entrepreneurship

Items	Factors loading
Financial Independence	78
Interest in Entrepreneurship	73
Personal Independence	70
Unemployment	77
Access to Loans	70

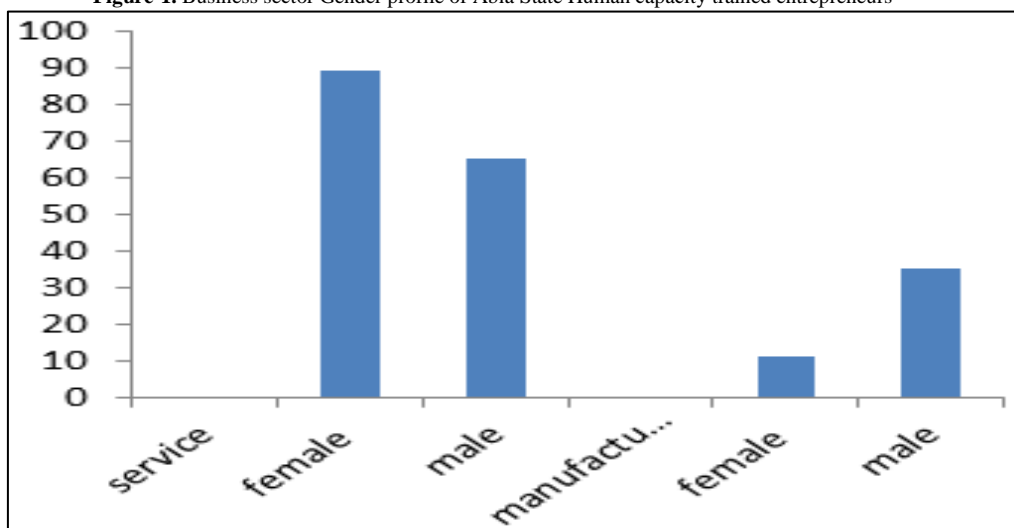
4.6. Business Sector Profile of Women Entrepreneurs

The sector profile of the female business operations shows 40% engaged in tailoring and fashion design, 31% in catering, 10% in hair styling, 8% in Interior decoration, 5% in soap and chemical manufacturing and 6% in farming. All but farming business are located in the urban metropolis. Government policies and environmental regulations are responsible for the location of agricultural farms.

The business operation of their male counter parts showed business engagements of 15% in tailing and fashion designs, 10% catering, 20% hair styling (barbing), 13% leather works, 10% in wielding 5% in chemical/soap making, 20% in ICT and media and 2% in farming. More women own businesses in tailoring and fashion design and catering than males.

The business sectors of male-female entrepreneurs are shown on figure 1.

Figure-1. Business sector Gender profile of Abia State Human capacity trained entrepreneurs



Few women entrepreneurs are engaged in manufacturing sector. The low presence of women in the manufacturing sector could be traced to low technological knowledge base. Within Nigerian educational system women tend to settle for Arts and social science subjects without any technological inputs. This low knowledge base is an important challenge to exploitation of the business opportunities in the technological sectors of Abia State and nationwide. Lack of appropriate technological skills, among the female entrepreneurs account for the variation in business operations between male and female entrepreneurs surveyed.

The desire for personal and financial independence could be responsible for choice of business operations by entrepreneurs as reported in the study of FATE foundation (2016). The service sector offers quick return on investment and flexible hours of work for women with family obligations. Unlike the manufacturing sector that transcends periods of business cycles, return on investment and risks. It is easier and financially cheaper to start a service business than manufacturing. Also the cultural perception of women role in society could be implicit. These inclinations was revealed by the nature of after training support given to graduates of Human capacity Training programmes. Among the equipment given included gas cookers, sewing machines hair styling equipment given in female categories and hair clippers and media equipment in male categories plus twenty thousand naira (N20,000.00) cash per participant.

5. Conclusion

The 30% (percent) women affirmation policy is an efficient means of female inclusion in business and other affairs of the State. However, access to the Human Capacity building of women entrepreneurs is challenged by many factors but primarily low information dissemination. The vocational skills offered by the skill acquisition centres should be appropriate to capture the entrepreneurial goals for tertiary education level graduates, who are strongly motivated for entrepreneurship endeavours than the non-tertiary education level graduates. Low technology base and financial independence were identified as significant factors that influence choice of business operations by female entrepreneurs in the state. Females in educational institutions should be encouraged to embrace science and technological courses for obvious advantages in a modern world. The human capacity building is important for promotion of entrepreneurship culture for national economic growth, wealth generation self reliance and as solution to the problems of youth unemployment and restiveness.

Recommendation

The following recommendations are made;

1. Training of women on various forms of technology would enable their engagement in manufacturing sector.
2. Emphasis on soft skills as stop gap approach to unemployment is unholistic Human capacity training should take cognizance of needs of highly educated citizen itching to make their marks in sustainable business ventures.
3. Gender sensitive training of government officials will increase the awareness and implementation of the 35% inclusion policy for women participation in business and governance.
4. The effectiveness of electronic media for dissemination on information of opportunities for budding entrepreneurship should be fined for broader reach.
5. An elaborate mentoring programme is essential for women entrepreneurs.

Applicability; Entrepreneurial Human capacity building curriculum designed in line with the results of this study will prove consistent with the objectives of entrepreneurial programmes especially in developing nations with serious problems of unemployment.

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