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### Factors Influencing the Business Growth of Women-Owned Sewing Businesses in Lagos-State, Nigeria: A Pilot Study

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Abstract: This paper studies the factors influencing the business growth of women-owned sewing businesses (WOSBs), a sector identified to replace the dwindling Nigerian oil sector, in Lagos State Nigeria. Drawing on the Brush, de Bruin and Welter's gender-aware theory, this research evaluates the gender-aware model to see if it is applicable in the Nigerian context. This research adopts a case study approach that comprises five female owner-managers of sewing businesses in Lagos State, Nigeria (3 women married with children, one married without a child and one unmarried woman). Data is analysed using thematic analysis. The investigation finds that motherhood, meso- and the macro-environment constrain and support women's access to money, market and management in the Nigerian context. However, unlike Brush et al. who suggest a one-way relationship between motherhood, meso- and macro-environment contexts, this study reveals evidence that suggests an interdependent relationship between the three gender-aware constructs (motherhood, meso- and macro-environment contexts). This paper presents how motherhood, meso- and macro-environment contexts, Nigeria.

Keywords: Women-owned sewing businesses (WOSBs), Motherhood, Meso-/Macro-environment, Lagos

#### Introduction

Globally, women-owned businesses play a crucial role in driving the world's economy (GEM, 2015). In a developing country context such as Nigeria, female-owned businesses contribute more than 30% of Nigeria's GDP and account for more than 40% of the employment generated by the Small and Medium-sized Enterprise (SMEs) sector in Nigeria (SMEDAN, 2013). Nigerian women's entrepreneurial activities help to reduce the number of child trafficking, prostitution and crime by more than 23.3% (Olawepo and Fatulu, 2012; Iyiola and Azuh, 2014). However, compared to the West, women's entrepreneurship is yet to receive adequate scholarly attention in Nigeria, Sub-Saharan Africa and developing countries in general (Oke, 2013; Yadav and Unni, 2016).

Currently, the Nigerian Fashion Industry contributes 0.47% (about £801,065,503.47) of Nigerian rebased GDP (Nigerian Observer, 2015). Although the oil and gas sector contribute more (13.8%), yet with the petrodollars fast diminishing, the Federal Government of Nigeria recognises that the fashion industry has the potential to diversify the economy, generate more employment and reduce poverty level (Federal Government of Nigeria, 2017). Since women mostly dominate this industry, the fashion industry is considered a means for improving the living conditions of women and youth in Nigeria

(AFDB, 2016). Therefore, because women from Sub-Saharan African are concentrated mainly in the fashion industry, one can conclude that empirical evidence in women's entrepreneurship from Sub-Saharan African is inconclusive. Thus, sewing businesses provide a fruitful ground for contributing to women's entrepreneurship literature.

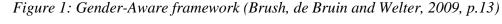
Therefore, with this research, we aim to investigate how the motherhood, meso- and macroenvironment context in which a female entrepreneur is embedded influences the growth of women-owned sewing businesses from a developing country perspective. Growth in this pilot study is measured and described based on the perceptions of WOSBs in Lagos.

#### **Literature Review**

Scholars (Golovko and Valentini, 2011; Akinboade, 2015) have acknowledged that the issue of business growth is fundamental for business survival. Phillips and Kirchhoff (1989) demonstrated that firms that grow, even by the addition of one employee, increase their survival chance by 67%. However, growth literature is not unified over which measure or indicator is the most appropriate for the study of business growth, causing a fragmented theory base. This is because business growth is a socially constructed phenomenon (Achtenhagen, Naldi and Melin, 2010). Consistent with this, Kilivuto (2013) claimed that scholars' perception of business growth might differ from those of female business owners. For instance, in a study of Serbian women entrepreneurs, Stosic (2016) find that women's perception of growth is different from how scholars and policy-makers perceive growth. As such, scholars advised that scholars study business growth from female business owners' perspective of growth (Kilivuto, 2013; Stosic, 2016). Costin (2012) argued that scholars should study growth from women's perspective of growth as women decide whether to grow their businesses or not. Furthermore, Marlow and McAdam (2013) asserted that the study of business growth from the perspective of womenentrepreneurs might resolve the issue of women's disinterest in growth. Paige (2014) and Stosic (2016) demonstrated that a study of female business owners' perspective of growth might assist scholars, policy-makers and other stakeholders in developing relevant, suitable and practical strategies to assist women entrepreneurs in growing their businesses. WOSBs' perception of growth is discussed in the result and discussion section.

#### Factors influencing the business growth of women-owned businesses

The literature has acknowledged that some factors can influence the growth of female-and male-owned businesses alike. Bates et al. (2007) claimed that all entrepreneur requires money – financial capital (Penrose, 1959), access to markets –opportunity emergence and recognition (Schumpeter, 1934) and management – human resources (Aldrich, 1999) to start and grow their enterprise. Drawing on institutional theory and contextualisation of entrepreneurship theory, Brush et al. (2009) added three new constructs: motherhood, meso- and macro-environment, which they claimed represents the contexts that all women entrepreneurship is embedded; and which can constrain or support women's access to money, market and management. However, Brush et al. (2009) framework are mainly developed based on evidence from developed countries contexts. This suggests the need for a research study to evaluate the applicability of the Brush et al. 's model in a developing countries context such as the Nigerian context.



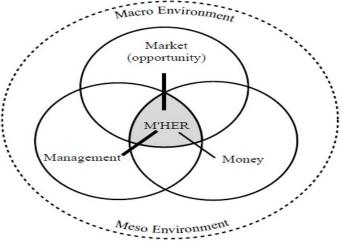


Figure 1 depicts the interconnectedness of the three gender-aware constructs. Brush et al. (2009) demonstrated that the three gender-aware constructs are not stand-alone variables, but instead they influence women's entrepreneurship by moderating women's access to money, market and management. Each gender-aware constructs are discussed in turn to reveal how they influence women's entrepreneurship through money, market and management.

#### Motherhood

Motherhood is the family/household context that a female owner-manager is embedded. Aldrich and Cliff (2003) suggested that motherhood influences and moderate's money, management and market. Female owners of small businesses may receive money from the personal savings of family members/spouse/children (Nel, 2010 and Kothari, 2017). Neneh (2017) defined this as direct support. On the other hand, Neneh (2017) described a situation where family members/spouse/children are responsible for running the home until femaleowned businesses are profitable as indirect support. In some other instances, some family member/spouse/children (especially the male) support women's access to money by borrowing from the bank on their behalf (Jamali, 2009; Kothari, 2017). This can also be considered as indirect support from family members/spouse/children. There is also evidence that motherhood can also influence women's access to management and market opportunities directly and indirectly (Waterhouse, Hill and Hinde, 2017; Joona, 2018). However, in the literature, existing studies have mainly considered the positive (direct and indirect) influence of motherhood on motherhood, meso-environment and macroenvironment. This suggests that there is little or no mention of the negative influence (directly or indirectly) of motherhood on management, money and market in the current literature.

Proposition 1: Motherhood, directly and indirectly, influences the business growth of women-owned businesses in a developing country context.

#### Meso-Environmental influence

According to Iakovleva et al. (2013), and Cabrera and Mauricio (2017), the mesoenvironment institutions include professional networks, business clubs, business and trade associations. Through the meso-environment institutions, female entrepreneurs might be able to access and manage money, market and employees (Surangi, 2015; Machirori and Fatoki, 2013). In a study of South African women entrepreneurs, Machirori and Fatoki (2013) identified that only women who belong to the right business association, trade union and political party might be able to access bank loan and enhance their market size. However, in the political scene, scholars (such as Mama, 1997; Faseke, 2004; Madichie, 2011) observed the absence of "real support" from African women leaders for other women. This implies that female business owners may not receive support (to access money and market) from associations headed by women. The Nigerian context provides a unique context as the meso-level institutions - Fashion Designers Association of Nigeria (FADAN) – considered in this study, is currently headed by a woman.

Proposition 2: Mesoenvironment, directly and indirectly, influences the business growth of women-owned businesses in a developing country context.

#### Macro-environment influence

The extant literature on women's entrepreneurship literature recognises that the macroenvironment captures cultural norms, national level policies, economic situation and religious belief (Mazonde and Carmichael, 2016). In line with that, Brush et al. (2009) asserted that the macroenvironment might moderate women's access to money, market and management. Government policies of some countries, particularly governments of countries in the developing countries contexts (such as Zimbabwe), are criticised for not supporting women entrepreneurs the way they support their male counterparts (Gender-GEDI, 2014; GEM, 2015). Dionco-Adetayo (2005) claimed that the government of the African regions do not provide sufficient support for women entrepreneurs when accessing money, market and management. Furthermore, some culture and religious beliefs in the developing countries context (such as Sub-Saharan Africa region), may manifest in the form of gender occupational stereotype (Ali and Syed, 2017), and the label of women as the primary caregiver (Mazonde and Carmichael, 2016; Raghunandan, 2018). Such form of cultural and religious beliefs predates upon banking practices, the way government policies are set-up, and family members' attitude to female entrepreneurs (Jamali, 2009). Within that context, women may find it difficult to access the support of their family members, business association/network and government in accessing money, market and management (Yusuf, 2013; Amadu, Aondoseer and Audu, 2015). The Nigerian context, with over 500 ethnic groups (WorldAtlas, 2018), provides a unique context to enrich current knowledge.

Proposition 3: The macro-environment influences, directly or indirectly, the business growth of women-owned businesses in a developing country context.

#### Methodology

In this paper, the case study research strategy is adopted. Its use was deemed appropriate in seeking to understand how the motherhood context, meso-and macro-environment context influences women's entrepreneurship in a developing country context (Saunders et al., 2016). We adopted a purposeful sampling technique through which we identified and selected participants that provided abundant information on the themes identified in the literature review section (motherhood and meso /macroenvironment). Five women entrepreneurs who own and operate sewing businesses in Lagos State were interviewed. With the aim of enriching the data, the selected five women comprise two unmarried women, one married woman with no child, and two married women with children. This selection criterion was adopted to fully explore the issue of motherhood (household/family contexts) from various angles.

These women entrepreneurs were recruited through interpersonal relationship, a technique recommended for investigating in a developing context (Siebers and Kamoche, 2015). The interview guide was generated from the literature review based on the themes investigated (motherhood, meso-and macro-environment). Each interview lasted on average of 40-60 minutes. The interviews were audio-recorded and transcribed. After that, the data were analysed using thematic analysis to unearth patterns and relationships between the themes identified in the literature (Saunders et al., 2016). The QSR Nvivo software facilitated the storage, organisation, coding and analysis of the transcribed data (Zikmund et al., 2013).

#### **Results and Discussion**

Objective 1: How do WOSBs perceive Business Growth in Lagos-State?

The preliminary finding shows that WOSBs perceive business growth principally as **<u>obtaining and retaining customers</u>**. For instance, respondent A3 perceived growth as:

#### "I see growth as profit and increase in the number of customers."

Similarly, other respondents described business growth using "number of customers", "improving customer base", and "increasing number of clients". A word frequency query result (with synonyms) reveal that words such as **clients** (which includes similar words such as clients and customers), **clothes** and **improved** (which includes similar words such as better, improved and improvements) appeared more often than other words coded under the theme "**Business Growth**". Apart from words such as staff and income, every other word depicted in Figure 2 – complement, product, clothes, complain, people, improved and sew – can be linked to the number of clients/customers.

Figure 2: Word cloud for Business Growth



The above evidence is different from how women perceive growth in the study of Subramaniam and Islam (2014) and Stosic (2016) who found that women perceived growth

as regular training for themselves and their employees and employee satisfaction. This suggests that women entrepreneurs are homogenous in their perception of growth.

# Objective 2: In what way does the Motherhood factor positively and negatively moderates WOSBs access to money, market and management?

Findings show that motherhood moderates WOSB's access to money positively and negatively. This implies that motherhood (family members such as spouse, siblings and parents) play a crucial role in their access to money. One of the WOSBs state that:

When I get a huge amount of money from my brother, I buy what I need for my sewing. That is how I get most of my sewing equipment I

 $have \ today" \ (Respondent \ E1).$ 

On the other hand, one of the WOSBs stated that:

"My mum sometimes wants to give us money, but we do not collect. Myself and my husband decided that we do not want to take anything from them." (Respondent C2).

The above quotation suggests that some WOSB's spouse is filled with pride/ego. These men prevent their wives from accepting other family members monetary support because they feel that such action threatens their authority as head of the home and breadwinner. This is consistent with the findings of Madichie and Nkamnebe (2010). As such, some WOSBs are not allowed to receive monetary support from other family members.

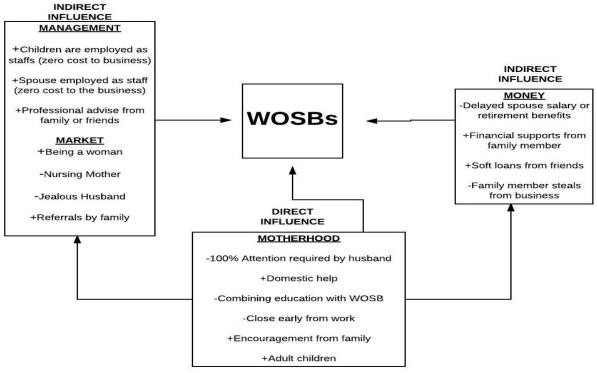
Evidence from the interview also reveals that motherhood influences (positively and negatively) women's access to market opportunities. For the positive influence, some WOSBs receive support from family members/spouse and children when accessing and exploiting market opportunities. Family members assist in advertising their clothes by wearing them and advertising their products using "word of mouth". Stokes and Wilson (2017) consider "word of mouth" an effective method for marketing for female-owned small businesses. As such, WOSBs can increase and maintain their customers base. On the other hand, some WOSBs complained that they are unable to access large-scale production

### ".... because I could not stay away from my children for two-weeks"

(Respondents B3).

Evidence from the interview reveals that motherhood moderates women's access to management. Some respondents mention that they benefit from the expertise of their family members/spouse and children (free of charge) in their businesses (Respondent A3). On the other hand, some respondents mentioned that they are unable to attend training, and skills development and enhancement programs because they could not leave their children (motherhood negatively impacting management). Furthermore, some other WOSBs mention that they are unable to attend training to avoid complaints about them spending too much time on their jobs (Respondent C2 and Respondents D3).

This evidence suggests that motherhood plays a substantial role in accessing and managing money, market and management. This research evidence also contributes to existing study by showing both positive and negative influences (which can be either direct or indirect) of motherhood from a developing countries context (see figure 3). *Figure 3: Various forms of motherhood's influence on WOSBs in Lagos* 



Signs: "--" is a Negative influence and "+" is for Positive influence Source: Developed by Authors

# Objective 3: In what way does the Meso-/Macro-environment context positively and negatively moderates WOSBs access to money, market and management?

Based on the results of this study, the intermediate structures identified are the Fashion Design Association of Nigeria (FADAN) and University alumni associations. Evidence from the interview show that the meso-environment influences (positively and negatively) WOSBs access to money, market and management. The respondents highlight through their business association (FADAN) and university alumni associations, they can raise money for their businesses. For instance, Respondent B3 mention:

"I recently applied for a loan through information provided by my old university association."

Some WOSBs also mention that they can access market opportunities and management through their business association (FADAN) and university alumni associations. For instance, Respondents B3 state that her business association:

"invited me to many exhibitions. They recently took us to China for a trade fair exhibitions".

Some respondents (such as Respondent D3) mention that they develop and enhance their skills and competence through FADAN. Besides, some respondent mentions that they also employ staffs through FADAN. For instance, Respondent D3 mention that: *"I employ my staffs through FADAN".* 

However, some respondents claim that they have issues with the executives who are female. One of the respondents states that:

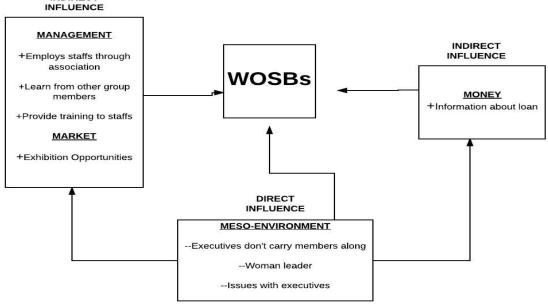
"we are not gaining anything. We are having issues with the female leaders of FADAN. There is no unity but lots of controversies. The members don't

### carry their members along. They keep everything for themselves."(Respondents D3)

The above quotation implies that meso-level institutions headed or chaired by women may not be of support to other women. These are agreement with the findings of Faseke (2004) and Mama (1997) and Madichie (2011) who claim that African women leaders do not support fellow women.

In a contribution to the existing literature, we depict how the meso-environment positively and negatively influence (directly and indirectly) WOSBs access to money, management and market (see Figure 4)

Figure 4: How the meso-environment factors influence WOSBs in Lagos INDIRECT



Note: "---" depicts negative influence and "+" depicts positive influence.

#### Macro-environment influences

The macro-environment issues cover the issue of culture, religious issues and government policies/support actions (Brush, de Bruin and Welter, 2009; Mazonde and Carmichael, 2016). The respondents mentioned that the macro-environment moderate money, market, management.

The macro-environment can impact women's access to money. Respondents mention that the loans explicitly earmarked for women entrepreneurs by the government are difficult to access. However, respondents D3 and C2 stated that the cultural beliefs among the Northern culture of Nigeria which prohibits men from touching women, other than their wives, is a positive influence for WOSBs. As such, clients who are women mainly come to WOSBs for clothes to be sewn to avoid been touched by a man who is not their husbands. On the contrary, Respondents C2 and E1 suggests that their religious beliefs prevent them from sewing some forms of garments for clients. For instance, a respondent mention that;

"As the bible says we should be modestly dressed and not to expose our body. Sometimes, I have customers who come and say 'make hin show well well (meaning let the dress be very revealing). When such

## customers come and say I should do this. I usually disagree" (Respondent C2).

The above quotation suggests that WOSBs religious beliefs prevent WOSBs from sewing some forms of garments for their clients. This could cause the clients to go to another sewing business (maybe a male-owned sewing business) who may be ready to do the biddings of the customers. This could moderate the number of customers WOSBs (with such religious beliefs) possess. Some WOSBs also mention that they are unable to access money from the bank for no genuine reasons. This suggests that some of the bank officials may be gender-biased. On the other hand, some women mention that their gender is of benefits to them as one respondent mention that:

"being a woman makes me have more clients (Respondents E1).

The above quotation suggests that WOSBs may attract the opposite sex and thereby increase the customer-base of WOSBs. However, this study contributes to existing studies as it reveals how the macro-environment moderates (positively and negatively, directly and indirectly) motherhood, meso- and macro-environment. In a contribution to the existing literature, we depict how the macro-environment positively and negatively influence (directly and indirectly) WOSBs access to money, management and market (see Figure 5)

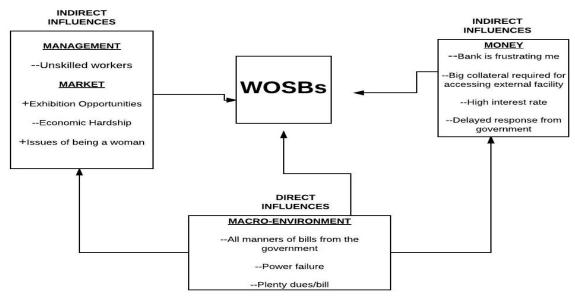


Figure 5: How the macro-environment (factors) influences WOSBs in Lagos

*Note: "—" depicts negative influence and "+" depicts positive influence.* 

#### Conclusions

This paper evaluates Brush et al. gender-aware framework in a developing countries context. The study revealed how motherhood, meso- and macro-environment influence WOSBs access to money, market and management in a developing country context, Lagos, Nigeria. The evidence suggests that Brush et al. 's framework should be modified to fit the developing countries context. This paper is limited as it considers only a small sample size. For future studies, we recommend the use of a larger sample which may provide richer insights and also confirm the findings from this pilot study.

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