

Full Length Research

Entrepreneurship and poverty status among female household participants in small and medium scale enterprises in Lagos State, Nigeria

Mustapha A. Okunnu^{1*} and Adebami Akinjole²

¹General Studies Department, Lagos State Polytechnic, Lagos, Nigeria.

²Centre for Entrepreneurship and Skills Acquisition, Lagos State Polytechnic, Lagos, Nigeria.

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This research primarily focused on the effect of female participation in small and medium scale enterprises on poverty status of women households in Lagos State. Multistage sampling technique was employed to collect data from 114 respondents comprising 56 Small and Medium Scale Enterprises (SMEs) participants and 58 non-participants in the study area. Data were analysed using descriptive statistics, Foster, Greer and Thorbecke's (FGT) weighted poverty index and the Probit Regression analysis. The study revealed that the sampled non-participants female households had higher poverty incidence (60%) while the SME participants' poverty incidence was less than 15%. Also, the result showed that the non-participants contributed heavily to the poverty of the whole group and that SMEs' participants benefited directly from government entrepreneurship programmes whereas the non-participants did not enjoy any direct benefit. The estimated regression analysis revealed that educational status, participation in SMEs, access to microfinance credit, household income, and monogamous household type are factors that reduce poverty status of households. The study was concluded with policy recommendations to enhance more female entrepreneurship development as panacea to escape from rural household poverty in the state.

Key words: Entrepreneurship, government assistance, poverty, small and medium scale enterprises.

INTRODUCTION

Nigeria, a country that is endowed with vast resources both human and material, represents one of the many paradoxes of development in which case the nation is rich but her people are poor (Omotola, 2008) and this has been described as 'poverty in the midst of plenty' by the World Bank (World Bank 1996). Nigeria situation is weakened by poverty, disease and ignorance. Poverty has been described to have a predominant 'female face' in both developing and industrialized countries (Odejide, 1997). Fajimi and Omonona (2011) presented Neo Leen reports that more than 564 million women live in absolute poverty and revealed the following about the state of women in the world:

1. Women own ten percent of the world poverty and hold one percent of chief executive position worldwide.
2. Women comprise two-thirds of people who cannot read or write.
3. Women are 70% of the world's absolute poor.
4. Women and children comprise 75 percent of the displaced people in ecologically fragile zones.

Women are regarded as the world's poor because the majority of the 1.5 billion people living on 1 dollar a day or less are women and earn an average slightly more than 50% of what men earn (UNDP, 2000). Women poverty is understood in different ways such as a situation of deprivation, inability to measure up to certain expectations related to basic needs and inability to create resources for recreation and holidays. Also, Nigerian

*Corresponding author. okunnubiodun@yahoo.com.

women are affected with poverty and have long duration in poverty because they often have too many children spaced too close together to the detriment of their health and productivity (Ijaiya, 2000). The incidence of poverty among Nigerian women has been progressively increasing. It has increased from 26.9% in 1980 to 58.5% in 1996 and in the past two decades women have constantly been put under the pressure of retrenchment, belt tightening fiscal policies to boost the deteriorating economic activities more than men and has forced them to share the preserved role of the provider with men or in some cases assume the entire responsibility (Adejebi, 2004). The core source of the entire gender differential in poverty is that women relative to men are more vulnerable because of the socio-cultural framework of human society. The socio-cultural beliefs are the limiting factors, which limit the opportunities and capabilities of women, and make them resource less and powerless individuals (Ijaiya, 2000).

Nigeria women constitute more than 50% of the Nigerian population and out of this; only about 35% of them are involved in entrepreneurship which can be under the form of micro, small, medium and large enterprises (Odoemene, 2003).

According to Kirkwood (2009), women own nearly 30% of all businesses, 50% of all retail businesses and 10% of all service companies. However, these statistics still indicate a relatively lower entrepreneurship rate amongst the female working population. Sharing this similar view were Scherer et al. (2010) whose finding revealed that males tended to have a higher preference for entrepreneurship than females. Some socio-economic deprivations have been identified as reasons for low women entrepreneurs and that many women lack experiences, either personal or vicarious, related to successful accomplishment of entrepreneurial tasks. Most entrepreneurial women had to make choices about child-bearing, child-raising and running a household (Noble, 2006). They must also assume the role of mother and family/household caregiver, which limits the time and energy that they have to give to their businesses (Stevenson, 2006). Collette and Aubry (2000) cited that about two-thirds of women entrepreneurs devoted more than ten hours a week to doing household chores while Hisrich (2001) reported that all the women entrepreneurs in China did almost all of the housework. In terms of family support, women were also less likely to have the full support of a marriage partner (Stevenson, 2006). Buttner (2003) enumerated factors that affected women's entrepreneurial success to include, entrepreneurial experience (such as the number of previous ventures involvements), quality of products/services and the women's determination to succeed, communication skills, market opportunity, financial management skills, idea generation and motivation. High energy levels, skill in influencing others ambition, self-esteem, competitiveness, achievement, willingness to assume

risk, support and understanding of family members, especially the spouse; length of time in business and developing network contacts are added factors for entrepreneurial success (Woodward, 2008). Nigerian women entrepreneurs are deprived of most of these qualities. From the foregoing, it becomes imperative to provide solution to the following thought provoking research questions:

- i. What are the various government SMEs development programmes in the state?
- ii. What are the determinants of poverty among female households in the state?
- iii. Does women participation in SMEs affect poverty status of women?

RESEARCH OBJECTIVES

This research primarily focused on the effect of women participation in small and medium scale enterprises on poverty status of women households in Lagos State. Specifically, it identified the various government's SMEs development programmes and incentives in the state and factors determining poverty among female households in the state. It also determined effect of government incentives on poverty status of the female SMEs participants in Lagos state of Nigeria.

RESEARCH HYPOTHESIS

H₀: Women participation in SMEs does not significantly affect poverty status of women in Lagos State.

Theoretical and conceptual frameworks

This study shall be guided by Schumpeterian Theory of Entrepreneurship, Vroom theory of expectancy, Poverty theories and Development Theory of Poverty Reduction.

Schumpeterian theory of entrepreneurship

Joseph Alois Schumpeter's theory of entrepreneurship began in 1911. He avers that the entrepreneur is able to break the static equilibrium of traditional societies characterised by circular stagnation through carrying out new combinations of activities referred to as innovations. Thus innovations consist of the introduction of new products, the introduction of new method of production, the opening of a new market, the conquest of a new source of supply of raw materials or semi-manufactured goods and carrying out of a new organisation of any industry (Olu-Aderounmu et al., 2012). According to Schumpeter (1934), since economic progress comes

from innovations, the innovator who is a monopolist at this point in beginning a new idea should be protected from exploitation by people who would take over his/her ideas by imitation and produce counterfeit products to sell at lower prices hence knocking him/her out of business.

Schumpeter assigns the role of innovation to the entrepreneur who is motivated by; (a) the desire to establish a private commercial kingdom; (b) the atavistic will to conquer and prove his superiority; and (c) the job of creating, of exercising one's energy and ingenuity.

Schumpeter's innovation represents not only the first dynamic concept of the entrepreneurial function, but he was the first major writer to put the human agent at the centre of the process of economic development. Schumpeter's theory of entrepreneurship is relevant to the study because the woman entrepreneur in Lagos will take advantage of the market conditions and the environment to come up with new ideas, creativity and innovation to make new products. The products created will then be sold to the society and customers to create wealth and profits hence economic development.

Vroom theory of expectancy

In his theory of expectancy, Vroom (1964) proposed that a person's behaviour is motivated by the expectation that her behaviour will lead to certain outcomes, together with the values she places on those outcomes. He situated his theory on the notion that behaviour is a function of interaction of personality and the environment. Vroom's theory built on the concepts of valence, instrumentality and expectancy. Applying this to women entrepreneurs, it is expected that the level at which women will engage in entrepreneurial innovative behaviour is dependent on how well they desire growth (valence), their perceived probability that their efforts will lead to achievement of their goal (their enterprise growth) and that their innovativeness will have a positive effect on their enterprise.

Poverty theory

Poverty theory addresses individuals, their culture, the social system in which they are embedded, the place in which they live, and the interconnection among the different factors. From causal point of view, we shall discuss two poverty theories identified in the contemporary literature as Poverty Caused by Individual Deficiencies and Poverty Caused by Economic, Political, and Social Distortions or Discrimination.

Development theory of poverty reduction

Development Theory of Poverty Reduction holds that most countries progress through similar stages of

development in an effort to curb poverty (Potterovich and Popov, n.d.). There are four stages of development. Stage one, which is the pre-industrial stage is characterized by high death and birth rates but not much of economic development. The country begins to develop in stage two where the death rates decline and there is improved food supply and proper sanitation. Birth rates begin to fall in stage three because people are now able to practice family planning. There is also urban development, increase in education, and parents begin to invest. This has made it possible for developed countries to assist the underdeveloped countries so as to free them from persistence donor dependence. Stage four is characterized by low birth and death rates. There is increased development at this stage.

This study submits that the development stage theory is equated to the stages the woman entrepreneur undergoes in her business in an effort to reduce poverty. The woman begins her business from a low level of selling a few items by hawking, which require minimal capital. She eventually gets to sell in a counter, eventually progressing to sell in shops or wholesale market and exporting the products. The woman entrepreneur can be assisted through various methods to reduce poverty such as availing credit facilities for business, investment opportunities, creating markets for their products, use of modern technology and offering vocational and technical training. It is for this reason that the government will support the women projects to develop entrepreneurial activities that will assist in poverty reduction.

Concept of entrepreneurship

According to Drucker (1985) entrepreneurship is a perceptiveness to change and the entrepreneur as one, who always searches for change, responds to and exploits it as an opportunity. Drucker notes that entrepreneurship is practice behaviour. It is a discipline and like any discipline, it can be learned. Kuratko and Hodgetts (2004) noted that in the simplest of theoretical forms of studying entrepreneurship, entrepreneurs cause entrepreneurship. That is, $E=F(e)$ states that entrepreneurship (E) is a function of entrepreneur (e).

Entrepreneur is a highly respected person in the developed world. Entrepreneur may be either an individual or a group who is involved in the assemblage of factors of production for the purpose of generating output and with the ultimate aim of earning a profit (Aderounmu et al., 2012); both are equally significant in the development of less developed countries. The word entrepreneurship conjures up visions of active, purposeful men and women accomplishing significant achievements.

The entrepreneurs are important agents of change in every society, yet they present the most enigmatic characters in the drama of economic development,

particularly in the less developed world. Although it is an entrepreneur's purposive activity that bridges the gap between plan and reality, the precise way that this agent of change acts is often unpredictable. According to Olu-Aderounmu et al. (2012), the principal entrepreneurial role in less developed nations (including Nigeria) is the ability to acquire, adapt and modify the existing large stock of proven technical innovations already available in the advanced countries of the world. They are people who recognize the strengths, weaknesses, opportunities and threats of their enterprise and build opportunity for its success.

Concept of poverty

Sumner (2003) defined poverty as the inability to fulfil the basic requirements to attain a decent life and therefore obtain adequate nutrition, housing and clothing. Salami, (2013) defined poverty as lack of access to resources, concern for human rights and environmental challenges; and exposure to violence, injustice, powerlessness and uncertainty in the face of unexpected situations like sicknesses, accidents and natural disasters. Asikhia (2010) defined poverty as the condition that limits individual's ability to provide for himself and his loved ones, noting that this condition manifests in the lack of food, clothing, shelter, etc. This implies that poverty is largely a state of deprivation, lacking and denial of basic necessities of life. Majority of people in Nigeria are poor and unable to satisfy these basic necessities of life. As opined by Sachs, (2005), it is useful to distinguish between three degrees of poverty: extreme (or absolute) poverty, moderate poverty, and relative poverty. Extreme poverty means that households cannot meet basic needs for survival. They are chronically hungry; unable to access healthcare, lack the amenities of safe drinking water and sanitation, cannot afford education for some or all of the children, and perhaps lacks rudimentary shelter and basic articles of clothing. He further expands that unlike moderate and relative poverty, extreme poverty occurs only in the developing world. Moderate poverty he defines as generally construed as a household income level below a given proportion of national income. The relatively poor, in high income countries, lack access to cultural goods, entertainment, and recreation and to quality healthcare, education and other prerequisites for upward social mobility. Thus, while an individual may have more than enough income to sustain life, if it is very low compared to the rest of the community, the individual may be viewed as being in poverty. As the society grows richer, so the income level defining poverty rises. One may see poverty from the angle of permanence and transience. In the opinion of Aliyu (2003), several types of poverty may be distinguished depending on such factors as time or duration. If the poverty is widespread, the occurrence itself is of limited duration and distribution. If it

involves relatively permanent insufficiency of means to secure basic needs, the condition may be so general as to describe the average level of life in the society or it may be concentrated in relatively large groups in an otherwise prosperous society.

Empirical literature review on women entrepreneurship and poverty

Misango and Ongiti (2013) examined the economic role of women entrepreneurs in poverty reduction in Kenya using the case of women entrepreneurs at the Maasai market within Nairobi City's Central Business District. From the target population of 664, 15% were sampled for the study, through stratified and purposive sampling techniques. Quantitative and qualitative data were collected by use of questionnaires and interviews, hence analyzed concurrently. The study showed that the economic activities carried out by the respondents were similar in nature and included selling of African artefacts, clothing and ornaments. Most respondents (95%) used readily available raw materials to make their products for sale. The study also revealed that majority of the respondents (83%) agreed that the businesses had made them improve their economic status. The businesses contributed to the promotion of tourism, employment and export trade. The study concludes that women entrepreneurs play a major role in poverty reduction in Kenya.

Fajimi and Omonona (2011) examined the impact of women participation in agro-allied small and medium scale enterprises (SMEs) on poverty alleviation in Oyo State, Nigeria. Data were collected using the multistage sampling technique from 119 respondents in the study area made up of 59 participants and 60 non-participants. Data generated were analysed using descriptive statistics, FGT – weighted poverty measures and Probit regression analysis. Results from the study showed that the non-participants have the highest poverty level (51%), while the participants have poverty level of (17%) and the non-participants contribute greatly to whole group poverty. The estimated probit regression analysis showed that marital status, household size and women status in the family are poverty enhancing while educational status, participation in Small and Medium Enterprises, income and monogamous family type are poverty reducing. Hence participation in agro-allied Small and Medium Enterprises is antidote to reducing poverty among women. However, neither of the studies identified any government programmes and incentives to encourage women entrepreneurs' development. This research proposes to investigate government entrepreneurship development programmes among women entrepreneurs' in Lagos State, Nigeria.

Adofu and Ocheja (2013) assessed the impact of entrepreneurship skill acquisition on poverty in Kogi State

of Nigeria. The study made use of primary data collected with the aid of a well-structured questionnaire which were administered by well-trained enumerator to beneficiaries of entrepreneurship acquisition skills randomly sampled from six Local Government Area of the state. The data collected through the questionnaire was analysed using descriptive statistics like frequencies and percentages. The result shows that 65% of the respondents accepted that lack of entrepreneurship skills among youth is responsible for the high rate of poverty in Nigeria. The result also revealed that at least 60% of the people that benefitted from the skill acquisition programme can now afford the basic necessity of life. The study therefore recommended that since most of the people that benefitted from the programme could afford the basic necessity of life, the government should begin to think of the way of developing the programme to the status of poverty eradication programme. While this study recommended involvement of government in poverty eradication in the study area, the study never measured impact of any government existing programme or incentive on poverty eradication in the state. However, the current research work shall identify and evaluate various poverty reduction programmes in Lagos state,

METHODOLOGY

Area of study

The study was conducted in Lagos State of Nigeria. Lagos State is located in the South West region of Nigeria and lies between latitude 6° 27'11' North of the equator and between longitude 3° 23' 45' East of the prime meridian. The state is made up of 20 Local Government Areas (LGA). Three LGAs were chosen for the study.

Sampling procedure

Multistage sampling technique was employed for selecting the female households in the study. The first stage was purposive selection of three local government areas from the Lagos West zone of the state. The second stage was sampling of six towns from the selected three LGAs. The third stage involved the use of systematic random sampling to obtain the required SMEs participants and non-participants by chosen every tenth housing unit/in which four women were randomly selected for interview. The research instruments were duly validated and pilot-tested for reliability before field questionnaire administration by trained data collectors and the researchers. A total of 150 female households consisting of 75 SMEs owners and 75 non SMEs owners were sampled. However, out of the 120 retrieved questionnaires, only 114 questionnaires were correctly completed and used for the research analysis. Table 1

shows the distribution of 114 women whose questionnaires were used for the analysis.

The various small and medium scale enterprises engaged in by the sampled female households in the study area are depicted in Table 2.

Analytical techniques

The analytical techniques employed in this study using Statistical Package for Social Sciences (SPSS) include Foster, Greer and Thorbecke's (FGT) weighted poverty index and the Probit Regression Model.

The FGT weighted poverty measure, otherwise called the P α measure will be used to obtain the incidence, depth and severity of poverty. The FGT measure is mathematically given as:

$$P_{\alpha} = \frac{1}{n_i} \sum_{j=1}^q \left[\frac{Z - Y_{ij}}{Z} \right]^{\alpha} \dots\dots\dots 1$$

Where P α_i is the weighted poverty index for the ith subgroup; n $_i$ is the total number of households in subgroup i, q $_i$ is the number of the ith subgroup households in poverty; Y $_i$ is the per capita expenditure (PCE) of women j in subgroup i; Z is the poverty line and α is the degree of aversion.

When $\alpha = 0$, it gives the incidence of poverty; $\alpha = 1$ gives the depth of poverty and $\alpha = 2$ gives the severity of poverty.

Formula for calculating contribution to poverty P $_0$, P $_1$ and P $_2$

The contribution (K) of each sub-group's weighted poverty measure to the whole group's weighted poverty measure will be obtained by using

$$K = n_i P_{\alpha} / n P_{\alpha} \dots\dots\dots 2$$

The correlates of poverty will be isolated using a Probit model in which a dichotomous variable representing whether or not a household is poor will be regressed on a set of independent variables.

The probit regression model hypothesizing the determinants of poverty and ascertaining the effects of certain factors (especially SME participation among women) is stated as:

$$Y = \beta_0 + \sum \beta_1 X_i \dots\dots\dots 3$$

The dependent variable Y is of a binary nature (poverty

Table 1. Distribution of sampled female households.

LGA	Selected town	SME participant	SME non-participant
Epe	Epe	10	10
	Itokin	7	10
Ibeju Lekki	Ajah,	6	8
	Ibeju-Lekki	4	5
Ikorodu	Ikorodu,	15	15
	Agbowa	8	10
		56	58

Source: Field survey, 2014.

Table 2. Distribution of women entrepreneurs by type of SME.

Type of SME	Frequency	Percentage
Fish processing	17	30.36
Provision stores	13	23.21
Soap making	10	17.86
Cassava processing	7	12.50
Building planks	5	8.93
Events management	4	7.14
Total	56	100.00

Source: Field survey, 2014.

status of women), which takes 1 and 0: 1 if poor, 0 if non-poor. The independent variables (X) are as follows:

- X₁ - Age of the respondents (in years)
- X₂ - Marital status (Dummy D = 1, if married, 0 if otherwise)
- X₃ - Household type (Dummy, D = 1 if monogamous, 0 if otherwise)
- X₄ - Household size
- X₅ - Educational status (Number of years spent in school)
- X₆ - Women status in family (Dummy, D = 1 if household head, 0 if otherwise)
- X₇ - Participation Dummy (D = 1 if participant, 0 if non-participation).
- X₈ - Income (Naira)
- X₉ - Dependency Ratio
- X₁₀ - Type of family (monogamy or polygamy)
- X₁₁ - Cooperative society
- X₁₂ - Government assistance
- X₁₃ - micro-finance bank access

FINDINGS AND DISCUSSION

Socio economic characteristics of the sampled women households

The socio economic characteristics of the female

households in Lagos State such as age, marital status, educational status, household size, household type, women status and income level are discussed in this section. As shown in the Table 3, the average age of the sampled SMEs participants was 47 years while that of the non-participants was 36 years. The table also revealed that over 60% of the sampled women households were married. The average school years and household size of both groups stood around 8 years and 6 persons per family respectively. 61% of the sampled SMEs participants and only 49% of the non-participants were polygamous. The participants had more dependants than the non-participants. The table also depicts that about 50% of the sampled participants and only 23% of the non-participants were the heads of their respective households. It also shows that the SMEs participants' income is more than double that of the non-participants.

Government SMEs development programmes and its impact on women entrepreneurs in the state

The study reveals that Lagos state government has made concerted efforts to encourage women entrepreneurship development and poverty reduction initiatives in the state. These include establishment of vocational and skills acquisition centres, Lagos State Micro-finance Institution (LASMI), registered cooperative societies, supply of

Table 3. Socio economic characteristics of the respondents.

Variables	Participants	Non-participants
Age of women (mean in years)	46.76	35.94
Marital Status (%married)	67	77
Educational status (mean)	7.9	8.2
Household size (mean)	5.6	5.5
Dependency ratio (mean)	6	4
Household type (% polygamous)	61	49
Women status (% household head)	49	23
Income (mean monthly in Naira)	19,121	8,430

Source: Field survey, 2014.

inputs, building of markets, construction of roads and estates, trade fairs and exhibitions etc. 85% of women participants in SMEs have benefited directly from the government various programmes while only 15% claimed that they are yet to receive direct benefits inform of skills acquisition and micro finance. However, all the non-participants respondents did not enjoy any direct benefit from the state government various SMEs development programmes in the study area. Majority (95%) of the beneficiaries of the government SMEs assisted programmes claimed that the support was not adequate especially the micro-finance loans.

Decomposition of sampled female households poverty by household expenditure

As shown in Table 4, the non-participants have higher poverty incidence, depth and severity than the SMEs' participants. The non-participants female households had poverty incidence of 60.2%, poverty depth of 23.2% and poverty severity of 4.2% whereas; the SMEs participants' households had poverty incidence of 14.8%, depth of 6.2% and severity of 2%. The contribution to poverty indicated that the non-participants households had higher contribution to poverty incidence (70.8%), depth (85.7%) and severity (92.8%) against SMEs participants' contributions to poverty incidence (29.2%), depth (14.3%) and severity (7.2%). This implies that poverty is more prevalent among the female households that did not participate in SMEs because of their lower per capita expenditure than the female entrepreneurs. It is also evident that the non-participants accounted for the greater poverty level in the study area.

Determinants of poverty and impact of entrepreneurship development on female households

The results of the probit regression analysis of the determinants of poverty among female households in Lagos State and effect of their participation in small scale enterprises are presented in the Table 5.

The result showed that adjusted R^2 value was 0.5114 meaning that 51.14% variability in the dependent variable is explained by the exogenous variables included in the model. The model is statistically significant at the 1% critical level. This indicates that the model has a good fit to the data. The correlation coefficient (B_0) is estimated at 5.5432 and this represents the independent poverty depth (P_0) among the female households in the study area. As shown in the Table, eight (8) variables were statistically significant in all the eleven (11) explanatory variables included in the model. Educational status, women household status, participation in SME, household type and dependency ratio variables are significant at 1% while marital status, income and household size are significant at 10%. The coefficient of each variable is related to the independent poverty depth as follows: The coefficient of the intercept of dummy of the marital status of the women is 0.7533.

This indicates that the autonomous poverty level of the women will be increased by 0.7533 to become 6.2965 while that of unmarried women will remain as 5.5432. This may be connected to the fact that married women have a larger household size than the unmarried counterpart and this will decrease the per capita income. Household type also has a significant effect on the poverty level of the sampled women. The coefficient of the variable is -0.6433. Therefore woman with a monogamous household has a reduced poverty level by 0.6433 to 4.8999 while the poverty index of woman in a polygamous household is 5.5432. This confirms the fact polygamous households have a larger household size and dependency ratio. For the household size which has a coefficient of 2.5570, it implies that a unit increase in household size will increase the poverty of the household by 2.5570 because larger household size will result to low household per capita expenditure. For educational status, the poverty level of the women will be decreased by 0.4336, while for the status of women in the family, as either household head or not, the poverty level of women will be increased by 2.9352 if there is a unit change in their status. Participation of women in SMEs has a coefficient of -4.6433. This implies that the poverty depth of the women will be reduced by 4.6433 to 0.8999 if there

Table 4. Women household expenditure and poverty status.

Participants index	Poverty estimate			Contribution to poverty		
	P ₀	P ₁	P ₂	P ₀	P ₁	P ₂
SMEs Participants	0.148	0.062	0.002	0.292	0.143	0.072
Non-Participants	0.602	0.232	0.042	0.708	0.857	0.928
All Households	0.417	0.560	0.021	1.000	1.000	1.000

Source: Composed from field survey data, 2014.

Table 5. Determinants of poverty and impact of entrepreneurship development on female households.

Variables	Coefficients	Standard error	t-value
Constant	5.5432	1.8780	2.5050
Age	0.0329	0.0372	0.1170
Marital Status	0.7533 [*]	0.3362	2.4507
Educational Status	-0.4336 ^{***}	0.1965	-1.4250
Women status in the family	2.9352 ^{***}	0.7783	2.4795
Participation Index	-4.6433 ^{***}	1.0976	-2.6770
Income	-0.0067 [*]	0.0004	-2.8452
Government assistance	-0.2104	0.1610	2.6667
Micro-finance loans	-0.0411	0.0052	-0.2222
Household Type	-0.6433 ^{***}	0.2688	-1.8754
Household Size	2.5570 [*]	0.3711	5.2652
Dependency Ratio	-0.5336 ^{***}	1.0976	-1.4250
Adjusted R-square	0.5114		

Asterisks denote significance *** at 1%, * at 5% and ^{*} at 10%. Source: Computer printout of probit regression.

is a unit increase in participation by women in SMEs. Also, a unit increase in income level of women households will reduce the poverty status by 0.67% because an increase in disposable income implies increase in household per capita expenditure, and hence, possibility of households' escape from poverty.

Conclusion

This research primarily focused on the effect of female participation in small and medium scale enterprises on poverty status among women households in Lagos State. It was discovered that participation of women in SMEs is an effective tool for poverty reduction. Despite government various efforts and programmes to enhance entrepreneurship development in the state, targeted people did not have access to such programmes.

POLICY RECOMMENDATIONS

- Inclusion of entrepreneurial education from primary and post primary institutions to achieve entrepreneurial skills will reduce poverty status of women households. Incubatory centres should be provided to make entrepreneurial education practical oriented and

encourage the trainees to put acquired skills into use and gain confidence to start their own enterprises.

- There is need for birth control to reduce dependency ratio which positively makes household to be poor.
- There is need for enlightenment campaign to create awareness on the existing vocational and skills acquisition centres to increase SMEs' participants with a view to escaping poverty.
- Government should create enabling environment by providing infrastructures and adequate assistance that would make infant and extant entrepreneurs' access required inputs and other incentives to enhance their business success.
- Households should be encouraged to join cooperative societies. This would afford them access to some government and donor agencies assistance and support to entrepreneurs.

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