‘MONEY PROBLEM:’
FINANCIAL AND BUSINESS BEHAVIOURS OF SELECTED BAUCHI BUSINESSWOMEN

NIGERIA WAY LEARNING SERIES
THE NIGERIA WAY LEARNING SERIES

The WAY Learning Series is an ongoing initiative to share lessons learned as the project is being implemented, focusing on identifying and understanding factors that impact women’s business success and overall wellbeing in Bauchi State. Topics include women’s time use, girls’ self-perception after participating in skill-building opportunities, how cooperatives function as business platforms for women, and women’s perceptions of themselves as entrepreneurs.

The Learning Series is shared widely with the development community and project stakeholders, including partners, clients, and government.

Nigeria WAY is made possible with the generous support of Global Affairs Canada and is implemented by Mennonite Economic Development Associates (MEDA). Thanks to WAY’s many partners and MEDA’s generous private supporters.

About the Nigeria WAY Project

Youth Entrepreneurship and Women’s Empowerment in Northern Nigeria (Nigeria WAY), supports women and youth agro-processors in three value chains in Bauchi State: rice, soybean, and groundnut. The project focuses mainly on women and youth-led businesses, with activities to improve productivity, adopt environmentally sustainable business practices, and increase access to markets, financial services, market information, business networks, and partnerships.
Nigeria WAY collaborates with partner organizations operating in Bauchi State to mobilize clients into the activities supported by the project. The project operates in seven Local Government Areas (LGAs), specifically selected because of their importance in Bauchi’s economy, feeding two key markets in Bauchi State – Bauchi and Azare – which bring together buyers, sellers, and processors for soybean, groundnuts, and rice, among other crops. However, businesses in Bauchi are primarily small and informal, and the market remains nascent, with government – not the private sector – as a primary driver.

In this socially conservative state, women and young people face many obstacles in achieving business success. Access to finance and mobility is limited for many women, and gender norms restrict the roles available to them. In addition, endemic poverty and family needs increase the need for their economic participation. With increased access to productive technologies and business services, greater financial inclusion, and inclusive community dialogues, Nigeria WAY supports women and youth-led businesses to transform their contribution to their households and communities and, ultimately, the Nigerian economy.

ACKNOWLEDGMENTS

<table>
<thead>
<tr>
<th>Authors</th>
<th>Stephanie Wealth-Ekanem and Frances Fortune</th>
</tr>
</thead>
<tbody>
<tr>
<td>Editor</td>
<td>Jennifer Denomy</td>
</tr>
<tr>
<td>Photography</td>
<td>The Nigeria WAY team</td>
</tr>
<tr>
<td>Graphic Design</td>
<td>Wendy Helgerman</td>
</tr>
</tbody>
</table>

Nigeria WAY is made possible with the generous support of Global Affairs Canada and is implemented by Mennonite Economic Development Associates (MEDA). Thanks to WAY’s many partners and MEDA’s generous private supporters.

_Front cover photo:_ FOMWAN Enumerator conducting GPM Survey in Tudun Alheri – Warji LGA

_Back cover photo:_ GPM Survey at Hanafari – Jama’are LGA

May 2021

‘Money Problem:’ Financial and Business Behaviours of Selected Bauchi Businesswomen
# TABLE OF CONTENTS

Executive Summary .............................................................................................................. 1
Introduction ......................................................................................................................... 3
  Bauchi Businesswomen ..................................................................................................... 4
Methodology for Identifying EN Clients With Growth Potential ..................................... 5
Social and Gender Norms ................................................................................................. 8
  EN Client Sample Demographics and Business Features .................................................. 10
EN Business and Financial Behaviours .............................................................................. 15
  A. Business Behaviours ................................................................................................... 15
  B. Financial Behaviours .................................................................................................. 20
High-Scoring Enterprising ENs (EENs) and Findings ...................................................... 26
Analysis and Recommendations ....................................................................................... 29
Recommendations and Next Steps ..................................................................................... 33
Appendix 1: Questionnaire for Graduating ENs ................................................................. 37
Appendix 2: Score Sheet Guide .......................................................................................... 40

Figure 1: EEN Selection Method ......................................................................................... 6
Figure 2: Demographics of survey sample, by age and sex ............................................... 10
Figure 3: Literacy Levels by Age Group of Sample ENs ..................................................... 11
Figure 4: Duration of Business Activities by Age Group ..................................................... 11
Figure 5: Current State of Business Activity of ENs ............................................................ 12
Figure 6: Current State of EN Business by Age Group ....................................................... 12
Figure 7: Size of Business Capital by Number of ENs (in 1000s of Naira) ......................... 13
Figure 8: Numeracy and Literacy Characteristics of ENs Related to Business Record Keeping ......................................................................................................................... 13
Figure 9: Literacy and Numeracy Capability by Size of Business Capital ......................... 14
Figure 10: Characteristics of ENs who Purchased Assets .................................................... 17
Figure 11: Duration of Business Activities for ENs who Purchased Assets ......................... 17
Figure 12: Non-Family Labour Engagement in Business ...................................................... 18
Figure 13: Duration of Ownership of Bank Account by ENs by Years ................................. 21
Figure 14: Bank Account Ownership by Age Group ............................................................. 21
Figure 15: EN Borrowing Behaviour by Source of Credit ..................................................... 23
Figure 16: Loan Source by Current Business Status .............................................................. 24
Figure 17: Repayment History of EN Clients who have Borrowed Money ............................ 25
Figure 18: Scoring of Top EENs by LGA ............................................................................ 26
Figure 19: FIs and women’s perception about financial access .......................................... 32
LIST OF ACRONYMS

ATF  Agrotechnology Fund
BDS  Business Development Skills
CAD  Canadian Dollar
EEN  Enterprising Entrepreneur
EN   Small Entrepreneur
FI   Financial Institutions
FY   Fiscal Year
GDP  Gross Domestic Product
LGA  Local Government Area
MEDA Mennonite Economic Development Associates
MFI  Microfinance Institution
Nigeria WAY Youth Entrepreneurship and Women’s Empowerment in Northern Nigeria
NGN  Nigerian Naira
SLG  Savings and Loan Groups
SSB  Small Scale Business
SMEDAN Small and Medium Enterprise Development Agency of Nigeria
EXECUTIVE SUMMARY

This learning paper aims to examine Nigeria WAY clients’ financial and business behaviours to identify businesswomen who have the capacity and desire to grow their business. The businesswomen in the sample are clients of Nigeria WAY who have received business development skills training and have agreed to share detailed information on their businesses. This paper is presented in four main sections. After an introduction of contextual details, the first section elaborates the methodology to identify the businesswomen who have the capacity and desire to grow their businesses. Included in this section are the demographics and some business features of the sample of businesswomen. In the second section the financial and business behaviours of the respondent sample of businesswomen who are clients of Nigeria WAY (N=283) are collated. The third section reports in detail on the outcome of applying a scorecard to analyze the data from the respondent sample group (N=283). The 100 Enterprising Entrepreneurs (EENs) being those businesswomen with the highest scored rankings across the 7 LGAs are selected. Finally, the fourth section summarizes the Learning and Next Steps.

In Savings and Loans Groups (SLGs), some EN clients demonstrated high performing behaviours by purchasing significantly more shares than other members (i.e., saving larger amounts of money), borrowing from the SLG, and repaying promptly. These behaviours point to their capability for savings, a risk appetite (to borrow money) and may demonstrate early adaptive behaviour to external interventions to stimulate their business.1

Data from the Key Informant Interviews with women and financial institutions shows that women are apprehensive about taking loans and making some financial decisions without the permission of their male authority figure in their lives (husband, father, brother etc.). The impact of literacy on women’s business behaviour was not as profound as expected. Many respondents who are not literate recorded high stability in their business. Women clients had ways of accessing the literacy and numeracy skills they need for their business, primarily with support from their children. This study illustrates that the ‘money problem’ women describe as the root of their business issues is not the sum of their issues. Other problems stem from and embody the social and gender norms constraining women’s businesses.

Financial Institutions agreed that women are far more responsible in loan repayment than their male customers. Women’s perceptions of financial products accessible to them from financial institutions (FIs) differ from financial institutions' claims on the availability of gender-responsive financial products. FIs have a

lack of understanding of the poor uptake on the products they have on offer to businesswomen.

The results have led to some recommendations and next steps for the WAY project relating to women’s financial behaviour and inclusion:

• Increase sustainability of the SLGs by establishing a village agent system to manage the expansion and daily running of the SLGs.

• Stimulating the demand and supply streams of financial access by working with FIs on gender responsiveness of their products and advertising their ‘women-friendly products’ to women.

• Business growth identification and needs-based business skills training for Enterprising ENs

• An increase in family support training (integrated into the BDS) using the Gender Action Learning System (GALS) tools.

• An increase in women’s access to finance through rural and green finance development

Nigeria WAY seeks to expand the rural outreach of MFIs among SLGs and other enterprises by supporting these MFIs to explore and maximize the benefits of the inclusive rural market through a business plan that articulates women as profitable customers and how the critical mass market can add value to the banks’ profit books while offering a financial inclusion opportunity for WAY clients and beyond. Through these and other ongoing activities Nigeria WAY will provide targeted support to EENs and continue providing support to ENs and SSBs. As women’s businesses grow and thrive, they gain confidence and skills which are shared with others in their families and communities.

Source: PwC Research, PwC MSME Survey 2020
INTRODUCTION

Nigeria has some 41.5 million micro, small and medium-sized enterprises (MSMEs), 99.8% of which are micro-enterprises. They contribute 48% of Nigeria’s total Gross Domestic Product (GDP) of US$ 250 billion. The 2013 Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) annual survey notes that women own 43% of micro-enterprises against 23% in small and medium enterprises (SMEs) owned by women.² Businesswomen’s needs for business support to grow their businesses are heterogeneous, as are their levels of business acumen and size of business.

Over four years, Nigeria WAY has developed a client base of more than 15,000 businesswomen involved in processing activities in the food chains of peanuts, rice, and soy in Bauchi State. These businesswomen clients (ENs) report that their main obstacle to business growth is a ‘money problem,’ meaning limited access to credit. An intermediate outcome of the project is to improve the business performance of ENs and SSBs, particularly those run by women and youth. This learning paper addresses how to identify those businesswomen who have an appetite for risk and the ambition to grow their business and whose businesses will benefit from access to finance through formal institutions such as Banks and Microcredit Financial Institutions.

Businesswomen, already clients of the Nigeria WAY project, are family members and part of a community where social and gender norms affect women’s financial and business behaviours. Among other things, these norms affect women’s ability to move freely in public and market spaces, access market and financial information relevant to their business, and require women to seek permission from men to register their business, open a bank account, and access finance. Locating women-led businesses through a public and competitive expression of interest mechanism was largely unsuccessful. Therefore, Nigeria WAY examined its database to identify women-run businesses demonstrating financial and business behaviours indicative of a desire for growth and showing a level of business acumen.

Nigeria WAY adopted a differentiated approach to building business performance through directed combinations of access to finance and BDS training. With such a large client group, targeting different types of businesswomen and segmenting them by the level of business acumen, skills and knowledge allows provision of appropriate business development services (BDS) and relevant access to finance.

² PwC MSME Survey 2020 Nigeria Report. 68% of Nigerian MSMEs have annual turnover of N5mil to N10mil and only 32% have higher annual turnover according to the PwC MSME Survey.
learning document aims to provide clear evidence to guide Nigeria WAY’s efforts to grow women-owned businesses strategically and intentionally.

**Bauchi Businesswomen**

There are many limitations to business growth for businesswomen in Bauchi State both on the supply side – from financial institutions, service providers, and other market system structures, and on the demand side, including socialization that is circumscribed by social and gender norms constraining women’s socio-economic engagement.³ The clients of the Nigeria WAY project are economically active women, and youth who are small entrepreneurs (ENs) and Small-Scale Business owners (SSBs) engaged in agro-processing and related services around three value chains – rice, groundnut, and soybean.

Nigeria WAY’s entry point to its clientele is through SLGs, which aggregate businesswomen into cohesive and traceable groups. The Nigeria WAY project promotes a graduated approach to increasing financial inclusion, meaning that project clients may begin accessing financial services through informal means, such as SLGs, and gradually moving towards more formal sources, such as banks or MFIs. SLGs are a practical entry point for many ENs because of the little paperwork, no collateral demands, and reduced cultural constraints as SLGs are considered appropriate groups for women to join by norm gatekeepers. The SLGs members are ENs who are willing to participate in the savings group and trust each other enough to save and borrow money together. Through multiple rounds of savings and loans, women develop their social capital and self-reliance, and get access to informal credit managed by a peer mechanism. Multiple rounds of SLG activity (each round is 9-12 months) permit the savings and loans performance of various groups to become evident and can reveal individual members’ financial and business behaviours in terms of their savings behaviour, loans accessed, and repayment reliability.⁴

“Even if I don’t go to a formal school, the SLG is more than education to me.” — Dahiru Muhammed, Fadan Badel SLG

“We don’t have to worry about having or not having BVN (Bank Verification Number), with SLGs our monies are our own.” — Amina Bako, Fadan Badel SLG

³ Tapilda, Alene & Manyong, 2008 provide an excellent overview of cultural practices and intra-household impacts on labour and gendered domains in Northern Nigeria.

⁴ Nigeria WAY partners with the Federation of Muslim Women Associations in Nigeria (FOMWAN) and Association of Small Scale Agro Producers in Nigeria (ASSAPIN) respective Bauchi state chapters who mobilize clients in Bauchi and bringing awareness to the social and gender norms which hinder women’s socio-economic engagement. Two key facilitating partners Emeraid Capital and Agrikeys Services Limited, provide Business Development Skills training and Financial Services training to ENs and SSBs. In addition, the BDS provider, Emeraid Capital, provided a scoring system to categorize ENs by their financial and business behaviours (see Appendix 1).
As part of the business development approach towards achieving outcome 1100, Nigeria WAY aims to work with some businesswomen who are enterprising, defined as having the ambition to grow a business to the level of a Small-Scale Business (see text box Nigeria WAY Businesswomen in Client Sample on page one for detail). These clients we call Enterprising Entrepreneurs or EENs. Enterprising ENs are identifiable along several dimensions, including desiring to increase their capital, increasing and diversifying production, increasing their ability to engage labour, own assets, and grow their resilience.

This learning paper aims to examine Nigeria WAY clients’ financial and business behaviors (ENs) as a means to identify enterprising businesswomen (EENs). The study uses the data collected through project activities to describe the financial and business behaviours of a sample of businesswomen who shared their information to help the project strategically identify those with growth potential. The first section details the methodology to identify the client. In the second section the financial and business behaviours of the respondent sample of EN clients (N=283) are collated. The third section reports in detail on the outcome of applying a scorecard to analyze the data from the respondent sample group (N=283). Those businesswomen with the highest scored rankings across the 7 LGAs are selected as EENs. Finally, the fourth section summarizes the Learning and Next Steps.

METHODOLOGY FOR IDENTIFYING EN CLIENTS WITH GROWTH POTENTIAL

For selecting EENs from the Nigeria WAY client database, three steps were identified based on their financial and business behaviours. Figure 1 shows how the selection process progressed from all the members of the SLGs, to high performing SLG members and finally the Enterprising ENs (EENs). Firstly, high-performing SLGs with more savings at the payout and more social funds in use were identified in each of the LGAs. From these SLGs with more savings and loan activity, partner records show individual membership share and loan activity. Within the high-performing groups, it was possible to distinguish between members demonstrating ‘average’ and ‘high performing’ behaviour regarding the number of shares purchased weekly and their loan activity. The high performance of the ENs is visible along three dimensions: i) the number of shares purchased, ii) social funds collected, and iii) total payout at the end of a cycle. A total of 350 high performing ENs were identified from the high performing SLGs.

\[^{5}\text{Improved business performance of ENs and SSBs, particularly those run by women and youth, in targeted agricultural value chains in Bauchi State.}\]
Next, Nigeria WAY partner Management and Consults Ltd\(^6\) conducted an assessment. A questionnaire was designed to elicit women’s financial and business behaviour and characteristics and was administered in-person to 283 ENs of 350 ENs (see Appendix 1). The assessment resulted in scoring from which the top 100 ENs were selected as EENs (see Appendix 2) and are reported in the third section of this learning paper entitled findings.

The group of 100 EENs has been strategically selected to receive technical assistance to develop their business skills, management skills, and financial literacy and provide linkages to formal finance access beyond the SLGs. To differentiate from other clients, Nigeria WAY refers to these 100 clients as Enterprising ENs (EENs).

Secondary data drawn from SLG records, activity reports, partner reports, data from Gender Progress Markers (GPM) and Gender Action Learning System (GALS) Champions, as well as Nigeria WAY annual surveys, complemented the primary data. Results from this data and the assessment were used to generate the learning and conclusions of this paper. Emeraid Capital validated the key findings with a group of WAY program experts.

\(^6\) Commonly called Emeraid Capital, this business organization is a Key Facilitating Partner of MEDA Nigeria, implementing the business service skill development trainings approach across the 7 LGAs in Bauchi state.
Some limitations of this study are:

1. Information from this study is limited to Nigeria WAY clients engaged in production and processing within the three value chains of rice, groundnut, and soybeans.

2. These entrepreneurs were selected for their high share purchase in their SLGs and are limited to one subgroup of WAY clients. It is possible that many other Enterprising ENs exist in the client database and that the criteria used for selection may not reflect the entire financial and business behaviour of the WAY Clients in Bauchi.

3. The financial and business behaviours of Enterprising ENs are interpreted based on three sources of information: i) SLG behaviour, ii) data in the Nigeria WAY database, and iii) self-reporting using the assessment tool.

4. The questionnaire administered to the respondents was in English and had to be interpreted into Hausa. The respondents’ responses were likewise given in Hausa, which made the responses subject to the interpretation of the enumerator. The enumerator’s interpretation could have influenced the scoring and responses recorded based on subjective interpretation and understanding.

5. Literacy was included in the scoring because Capital believed that financial access to formal institutions required literacy skills. Therefore, literacy was included to test this hypothesis.

---

This data is collected by partners through the variety of activities that the client participates in and are reported on by partners to Nigeria WAY.
Social and Gender Norms

Social and gender norms in Bauchi state impact women’s ability to conduct their business. These norms influence, amongst other aspects, their levels of business acumen, access to finance, and market linkages. Nigeria WAY client Entrepreneurs (ENs) identified three influential gender and social norms that strongly affect their financial and business behaviour.

**Women are primarily responsible for child and family caretaking:** In Bauchi State, many heads of household and community note that women’s most crucial time commitment is to their domestic and care work. Women and girls are primarily responsible for domestic work while husbands and sons participate more in agricultural and other economic work (like waged labour). A 2019 WAY project time use study found that reproductive responsibilities engage approximately 4.5 hours of women’s daily schedules. During the COVID surge, women found that, amongst other effects, their reproductive work increased, leaving even less time for their business. For many women, business activities are generally confined to the neighbourhood around her home. The priority on family caregiving implies she needs to be near home and has limited time to focus on productive work, which brings income to the household for her and her children. In some households, other gender norms limit women’s movement in public spaces as they are expected to be in purdah. Their constrained mobility also has implications for their business activities, including access to market information.

Many business activities involve the processing and selling of products generated through family farming activities such as peanuts, soy, and rice. Often this work is done by hand, meaning that her productive work includes much drudgery. Women’s time and labour are not highly valued, extending to her productive work and contribution to the household.

The Gender Progress Markers (GPMs) baseline study found that in a few communities, men are taking part in household chores, particularly around childcare, so that women can engage in their business. However, men and women had different perceptions about how much time men spent on

---

8. Women’s Time Use, Work and Wellbeing in the Nigeria WAY Project: Baseline Study
9. COVID Impact survey, Nigeria WAY555010
11. Purdah is a cultural practice of female seclusion is a major determinant of gendered division of labour and results in economic imbalance between the two sexes (Tapilda, Alene & Manyong, 2008)
12. Gender Progress Markers (GPM) is a participatory measurement technique in which clients set markers of progress they would like to see in their lives and communities. The baseline for this evaluative technique was conducted in 2019. Follow up studies are conducted every 9 months and at the conclusion of the project. The GPMs evaluate the progress made in gender equality from the perspective of the women and men clients of Nigeria WAY in Bauchi.
Decision-making is considered a man’s domain, and women are expected to defer to men in their homes and communities: When a businesswoman has to defer business and financial decision-making to men, it strongly impacts her business growth. As decisions to register a business, open a bank account, take and repay loans, or make large purchases are dependent on her partner, this social norm could impede her productivity and consequently cripple her business, especially if there is conflict in the home. Evidence from the GPM study suggests that some men would rather not allow their wives to engage in business activities, and others do not wish women’s businesses to grow, as this takes her time away from domestic duties. The COVID impact survey suggests that financial decision-making is becoming more of a shared responsibility. Some women noted they felt more involved in household decision-making, given their active support of their families through the crisis. Twenty-five percent played a greater role in financial decision-making, and 38.5% of women in the study noted making joint decisions on household spending with their spouses, which is not surprising given women’s active involvement in buffering the financial impact of the crisis with their business earnings.13

Women are expected to act as a selfless support system for their family and community and valorize this role above all else: Women’s business activities are perceived as supplementary to their husbands’ income-earning activities and secondary to their domestic responsibilities. Although many women contribute to the family income and pay for their children’s school fees, household provisioning is rarely understood as a shared responsibility. Cultural values suggest that the man is the head of the household, and it is his primary responsibility to provide for the household. This implies that women’s support is optional and non-obligatory. When women contribute to the household’s economy, it is conceived as a voluntary contribution and not a shared responsibility.

"It is the men that farm and bring the produce to us. They are the ones that provide whatever we eat and drink and some of our clothing. They are the ones that help us. But when there are challenges, if the woman has, she can assist the husband, but that doesn’t mean it is compulsory for the women to provide."14
EN Client Sample Demographics and Business Features

This section details the demographics and business features of the businesswomen in the sample (N=283). The client ENs (N=283) are high performing members of SLGs in 7 Local Government Areas (LGAs) of Bauchi State. Over three years of project activities, these clients have participated in a variety of interventions which are captured in a database. Business development training is a second level training for building financial literacy, negotiation and business skills and enabling participants to understand credit, formal lending processes, and risk assessment. In the sample, 145 ENs have attended business development training, of which over one-third (55/145) have accessed several training events. Fifty-eight of the 283 clients attended innovation fairs designed to promote agrotechnology, and about a third of these attendees (22 out of 58) have purchased a piece of equipment for their business.

The sample is predominantly women (see Figure 2). A small number (7%) are between 15 and 24 years, and the rest are almost equally divided between those aged 25 to 35 and those over 36 years. These age groupings have implications for women’s time commitments to productive, reproductive and community activities shared between the home and business and financial needs. The younger age group is likely to be, if not married, then under familial and social pressure to marry and most will have young children requiring constant care, while children of the older age group are likely to be in the same age group and perhaps in school which normally means more expenses for mothers.

![Age and Sex of Survey Sample](image)

*Figure 2: Demographics of survey sample, by age and sex*

---

15 Women & Money, Insights and a Path to Close the Gender Gap, Idea.org, Design for her Power, 2019. [https://www.womenandmoney.design/](https://www.womenandmoney.design/)
Half of the group is literate in English or Hausa, which has implications for keeping business accounts. 12/13 of the men and 117/270 women are Hausa and/or English literate.

![Figure 3: Literacy Levels by Age Group of Sample ENs](image)

Three-quarters of the ENs have been in business for more than three years, which means they have acquired experience in their market segment, with financial management and with managing their overall business. The middle age group (25 to 35) have been in business longer than others.

![Figure 4: Duration of Business Activities by Age Group](image)

Most EN clients are optimistic about their business and consider their business activities to be increasing (in all age groups), with two-thirds of the EN clients
considering their business to be stable and about one-third considering their business to be increasing but shaky.

![Current State of Business](image)

**Figure 5: Current State of Business Activity of ENs**

When differentiated by age group, a larger percentage of the middle age group consider their business stable and a larger percentage of the older group consider their business increasing but shaky. Almost equal numbers of both age groups consider their business to not change or to be decreasing.

![Current State of Business by Age Group](image)

**Figure 6: Current State of EN Business by Age Group**

The amount of capital, meaning the money they use to purchase raw materials or goods and services for their business, varied from less than CAD 300 (100,000 Naira) to over CAD 3000 (1 million Naira). Most businesswomen in the sample have less than CAD 300 as their capital, while relatively few have between CAD
300 and CAD 500. For the businessmen in the sample, 6 / 13 had less than CAD 300 and 7 had between CAD 300 – 500. Most businesswomen reported they have not had access to BDS trainings (paid or otherwise) previously and most of their limited capital is spent on raw materials.

Figure 7: Size of Business Capital by Number of ENs (in 1000s of Naira)

In total, over one-third of the ENs keep financial records. By correlating business behaviours with the level of capital in the enterprise, it seems that the likelihood of keeping financial records increases with the size of the capital. Similarly, keeping financial records increases with literacy. More businesses with capital above CAD 300 keep records, whereas, among the businesses with lower capitalization, fewer women keep records.

Figure 8: Numeracy and Literacy Characteristics of ENs Related to Business Record Keeping
However there is little difference between the three levels of capitalization and/or duration of business activities. Women have ways of keeping records, often asking their school going children for assistance. According to partner reports, keeping records reflects the importance businesswomen place on protecting their capital and growing their business rather than literacy levels.

Other sources of data also illuminate business features around risk appetite and negotiation skills. Previous assessments from WAY’s FY3 showed that 92% of ENs admitted they do not like taking risks even when there is a chance for big rewards. In addition, the Gender Progress Marker (GPM) baseline indicated that men thought their spouses were better negotiators than the women themselves thought they were.

---

16 ENs Training Needs Assessment Report FY3 by which assessed 500 clients ENs to identify key training needs for BDS skills and knowledge transfer.
EN BUSINESS AND FINANCIAL BEHAVIOURS

This section focuses on self-reported behaviours of businesswomen and collates these behaviours by type. It is subdivided into financial and business behaviours and subcategories as developed by Emeraid Capital and the Nigeria WAY Value Chain Manager. This information was collected by enumerators from 283 businesswomen clients of the Nigeria WAY project using a questionnaire developed by Emeraid Capital (see Appendix 1).

A. Business Behaviours

The business behaviours that are examined include the type of business premises and type of registration, willingness to purchase assets, the owners' business skills, the labour they engage, the risk they are willing to take, and the space they negotiate for their economic activities in light of the gender and social norms with which they contend.

Business Premises and Registration

The majority of the businesses operate from home and are not registered (92%). Men's business (although the sample is small (n=13) are 54% not located in the home, while for women 25% are not located in the home.

Table 1: Business Premises by Type

<table>
<thead>
<tr>
<th>Business Premises</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lockup shop</td>
<td>10</td>
<td>4%</td>
</tr>
<tr>
<td>Open stall</td>
<td>53</td>
<td>19%</td>
</tr>
<tr>
<td>Home</td>
<td>220</td>
<td>78%</td>
</tr>
<tr>
<td>None</td>
<td>0</td>
<td>0%</td>
</tr>
</tbody>
</table>

Most businesspeople (78%) conduct their business from home while 22% use market stalls or lock up shops. Stalls and shops are self-contained premises located outside of the home usually in a market space or a high traffic area. The 22% (63) who conduct their business from lock up shops or market stalls pay a regular fee for the use of the space. The 4% (10) who conduct their business in stalls and shops pay a fee to the owner monthly or yearly. Lock up shops can be secured by the owner and is more permanent and more expensive than stalls. Of the ten client ENs who use lock-up shops, eight can read and write in English or Hausa, do calculations, and have a bank account, and all ten have received BDS training.
Over 90% of the ENs have not registered their business. Several opportunities for registration exist at the LGA level, at the state level (cooperative or enterprise), and through the Corporate Affairs Commission (Federal). The likelihood of registration does not differ by sex. Three quarters of those with a registered business owned a bank account and had been in business for over 3 years.

Among the 20 business people (19 women, 1 man) with registered enterprises, two-thirds have a bank account at a commercial bank. Any business must be registered formally to receive benefits from the state or federal institutions. Of the 20 registered ENs, 15 registered their business as an enterprise, and 11 have business accounts at a commercial bank. All except one operate from their homes. Two client EN businesses are registered as limited liability companies, and both have business accounts at a commercial bank. Only three ENs are registered at the LGA level, and two of these have business accounts at a commercial bank. Registering the business gives access to opportunities such as receiving a loan from any formal body such as a financial institution, and receiving contracts from government and private agencies for their business. It can be deduced that registration of businesses occurred likely to open a bank account to access business benefits such as a loan or other programs or products.

**Purchasing Assets**

One of the key business behaviours that this learning paper aims to evaluate is clients’ attitude to purchasing assets for processing activities. If women purchase assets such as parboilers, grinders, sieve bottoms, cover lids, or oil presses for their business, it can reduce the time, labour, and drudgery involved in the processing and minimizing natural resources required, including firewood and water. Technology can also improve the quality of their products and reduce the costs of production. Purchasing of assets by businesses is an indicator of business growth for the Nigeria WAY project.  

Forty-one ENs had purchased agrotechnologies to support their business. Thirty-five out of the 41 ENs who purchased technology have a capital size of up to NGN100,000 ($300 CAD). Though their capital size is relatively small within the sample population, their enterprising nature is evident in their choice to invest in technology to improve their business. Twenty of the 41 ENs do not employ non-family paid labour, which speaks to the size of their business. Thirty-two of the 41 ENs who purchased technology have received business development training, and 38 ENs can do basic calculations, with only 3 ENs requiring assistance from someone with calculations. Being able to do

---

17 Initial research and research in the first year of the project showed that women doing business in rice, groundnut and soy value chains are processing these food crops by hand in labour intensive processes. The Agrotechnology Fund component of Nigeria WAY offers incentivized costs of agrotechnologies to support women’s business.

18 It is possible that these ENs’ technologies are managed by family members as seen in the WAY Millers and Grinder case study.
basic calculations is indicative of their ability to properly manage their books and keep a record of their business growth, calculate their profit margin, and ensure proper separation of business profit from the capital and other required business expenses. Being able to manage their money helps business growth and makes more tangible the gains that the purchase of equipment can make for a business. For those ENs who purchased a piece of equipment (41 of which 40 are women), 50% are in the rice value chain, with 38% in the groundnut value chain and 12% in soy and about half engage more than 1 worker regularly and half do not engage any non-family labour. Of those who purchased assets, two thirds have been in business for a longer duration.

![Figure 10: Characteristics of ENs who Purchased Assets](image)

![Figure 11: Duration of Business Activities for ENs who Purchased Assets](image)
Engaging Labour

A characteristic that separates entrepreneurs from a business enterprise is the latter’s ability to systematically engage non-family labour in the business. Most ENs engage family labour in their business because it does not require direct cash or in-kind payment for hours engaged as typically it is an obligation based on familial relationships. Non-family labour requires payment either in produce or in cash, indicating a degree of vitality in the business.

Table 2: ENs Engaging Non-Family Labour by Number of Workers

<table>
<thead>
<tr>
<th>Engaging Non-Family Labour</th>
<th>62</th>
<th>22%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above 2 workers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 workers</td>
<td>38</td>
<td>13%</td>
</tr>
<tr>
<td>1 worker</td>
<td>19</td>
<td>7%</td>
</tr>
<tr>
<td>No worker</td>
<td>164</td>
<td>58%</td>
</tr>
</tbody>
</table>

As seen in Table 2, 42% of the sample engage labour, anywhere from one to more than three workers. The engagement of non-family labour is a crucial business behaviour as it requires organizational skills, and decentralizing tasks from one person to more people. It also provides a structure that can encourage the growth and expansion of the business and is indicative of a growth mindset as an EN would hire people only if she thought she could pay them (and presumably continue to pay them). The 58% of ENs clients who do not engage labour likely have family members working for them, especially daughters who hawk the products in the streets and markets for their mothers.
Training in Business Development Skills

The ability to make informed and accurate decisions that contribute to business growth is dependent on ENs’ business skills. Forty-four percent of the EN clients in the sample received the follow on business development skills training geared to building skills to manage and grow their business and improve their business acumen. Five specific business skills were evaluated using the assessment tool: record keeping, business planning, costing, stock control, and marketing. In spite of the participation in training, the results show that more work is required to support women to apply the knowledge they have gained:

- 158 ENs of 283 (56%) do not apply business development skills to their businesses.
- 10 ENs (4%) have skills in three out of the five stated areas,
- 49 ENs (17%) are skilled in two of the five business skills, and
- 66 ENs (23%) in only one of these skills.

More training is required to reinforce the skills learned in the BDS training. Most women have learned their business skills from their mothers or peers and have had little or no access to formal business training. Members reported the financial literacy and business training accompanying the start-up of the SLGs to help diversify their business activities was important information for them and a key strategy to their development.\(^{19}\) For many client ENs, they indicated that this was the first BDS type of training they had ever received and most had never previously any business type of training. Understanding managing financial capital and then the mechanics and requirements of loans or how to use debt for business growth begins with financial literacy training with SLGs and continues through BDS trainings and then through Business Advisory Service trainings.

---

**EN Financial Literacy Training Modules**

**Module 1:** Financial management  
**Module 2:** Leadership  
**Module 3:** Cooperative development  
**Module 4:** Access and utilization of funds  
**Module 5:** Negotiation and selling skills

**WoSA Business Development Training Modules**

**Module 1:** Access to finance and digital finance  
**Module 2:** Access to Technology and the dissemination Of Climate Smart Technology to Other ENs  
**Module 3:** Access to Information & the market  
**Module 4:** Linkages with ENs For Raw Material Supply

---

\(^{19}\) About 50% of the respondents indicated this. Nigeria WAY Annual Survey, FY2.
B. Financial Behaviours

Financial behaviours help a businessperson manage their financial resources. These behaviours could include their attitude to savings and bank account ownership, loan experience and repayment history, preference for formal or informal financial services, and choices related to financial institutions. In most of Nigeria WAY’s data gathering activities, women stated that their main problem with business was access to finance. According to the annual survey data, in the fourth year of the project more women seek access to financial services as a result of project activities.

Table 3: Financial Services by Age Group

<table>
<thead>
<tr>
<th>Age range (years)</th>
<th>FY3 Annual Survey (%)</th>
<th>FY4 Annual Survey (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>23.6</td>
<td>51.8</td>
</tr>
<tr>
<td>25-35</td>
<td>21</td>
<td>57.5</td>
</tr>
<tr>
<td>36 and up</td>
<td>66.7</td>
<td>27</td>
</tr>
</tbody>
</table>

Most women start their businesses with their savings. Their savings are usually from money earned through wages from labour contributed to their husband’s agriculture work or from their business activities.\(^{20}\)

Bank Account Ownership

Of the 47% of ENs (132) with a bank account, 97% are held at a commercial bank, and the remaining three percent are at MicroFinance Institutions (MFIs).

Table 4: ENs with Bank Accounts by Type of Bank

<table>
<thead>
<tr>
<th>Type of Bank</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial bank</td>
<td>119</td>
<td>10</td>
</tr>
<tr>
<td>MFI/MFB</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Mobile money account</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>No account</td>
<td>149</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>270</td>
<td>13</td>
</tr>
</tbody>
</table>

Of those with a bank account, 47% have had the bank account for over three years and 86% have had the bank account for over one year.

Just over half (53%) of ENs do not have a bank account. Several factors affect women's ability to have a bank account, including access to the banking infrastructure, which is rarely found outside urban areas. Mobility constraints due to gender norms hinder women's movement in the public space and limit their access to banks, and therefore accounts. The number of clients who have bank accounts with Microfinance Institutions and Microfinance Banks is low considering that these are institutions geared to rural and peri-urban clients. A more significant percentage (67%) of the respondents with bank accounts can read and write: 89 of the 132 respondents who own accounts can read and write in English and Hausa, while 43 cannot read and write in either language (English
and Hausa). All 11 men in the sample have a bank account, with one man using an MFI/MFB and the other ten holding accounts at commercial banks.

From the focus group discussions, many reasons make people apprehensive about engaging with formal financial institutions, including:

- *Lack of awareness* of the importance of owning a bank account. Some members of the Bauchi community have said, “Aren’t banks for the new generation children?”
- *Lack of information* on the requirements to set up a bank account.
- The *proximity* of the banks to the women and youth in the communities: Locations of banks are in urban centres and are not easily accessible for those living outside of those areas.
- *Unfavorable financial systems and policies (need for collateral)* that discourage the enrolment of rural women and youth.
- Documentation required for owning a bank account such as ID requirements is cumbersome and challenging for the women to meet.
- *Fear* of the process of opening a bank account which may require a level of formal education and formal documentation which expose the potential customer.
- *The low income* of the individuals concerned contributes to their apprehension as they deem their income too small to be considered in a formal financial institution.

**Borrowing Behaviour**

In terms of borrowing behaviour 42% of women clients have accessed credit. Figure 15 shows that SLGs were the most frequent source of loans, accounting for 86% of those who borrowed money. Most of those who took loans (89 of the 100 ENs) have only small amounts of business capital mainly generated through their savings of CAD 300 (<100,000 Naira). Ten of the 100 ENs who borrowed money from SLGs have a capital size of between CAD 300 and CAD 3,000 (100,000 to 500,000 Naira), and only 1 EN recorded having a capital size of CAD 3000 (above NGN500,000).
Sixteen ENs borrowed from commercial banks and MFIs. It is interesting to note that five of the six ENs who borrowed money from a commercial bank are youth between 25 and 35 years old. The number of loans taken from non SLG sources is small that its difficult to draw conclusions from this small number. Fifty-one of the 100 ENs who took loans from the SLGs cannot read and write, while 49 can read and write in Hausa and English. Eighty-two of the 100 ENs can do basic calculations, but only 34 of these 82 keep financial records. Sixteen ENs require the support of a third party with calculations.

SLGs remain the priority access points for business ENs to loan money who might not otherwise have the chance to access credit unless through family members or money lenders. 91 ENs had no trouble repaying without difficulty while 7 had some difficulty repaying. One EN defaulted but paid back later and one person defaulted permanently with their loans from the SLGs.
Literacy challenges have not deterred ambitious ENs from pushing forward with their businesses, with 61 of the 100 ENs recording increasing and stable business performance and loan performance not correlated to literacy levels.

Women hesitate to engage with financial institutions and are more comfortable engaging with informal structures such as an SLG. However, 167 women hesitate to access loans through their SLGs, indicating a high level of risk aversion.

*Several GPM respondents identify a lack of education as an ongoing barrier to women's empowerment.*

**Repayment History**

In the sample, 41% (116) of EN respondents indicated they had borrowed money for their business. However, the respondents who took loans had differing ability to repay: 105 ENs had structured repayment plans that enabled them to pay back their loans in due time, nine paid within the required time, but with some level of difficulty, one EN defaulted but eventually paid back, and only one respondent was unable to pay back her loan.

It was impressive to see the strong repayment culture among the ENs who took loans, with 98% of them successfully repaying the loans. Furthermore, those ENs who repaid without difficulty (109 out of 114 ENs) were distributed in three age groups, with just over half (56%) in the 36 and above age range.

In terms of borrowing behaviour, the repayment history indicates that most of the ENs who borrowed money repaid without difficulty.

---

21 Gender Progress Markers Evaluation of MEDA's Nigeria WAY Project – Baseline Report
Figure 17: Repayment History of EN Clients who have Borrowed Money

Of the six ENs who reported borrowing money from commercial banks, five repaid without difficulty and one had some difficulty repaying. Similarly, of the ten who borrowed from MFI/MFBs, nine had no difficulty repaying while one EN had some difficulty.

The Central Bank of Nigeria (CBN) has stated that women repay loans more consistently than their male counterparts, a trend that is also evident in the EN data. Furthermore, they are good borrowers because they pay back the money with interest, and the Key Informant Interviews with the finance institutions supported this. This reputation as good borrowers has resulted in the financial institutions developing products to encourage women to borrow from them.

"We have a special place for women, and we have increased the number of women we have because we believe that women are more efficient, more reliable, and more enterprising than men.

"It is easy to give more loans to women because they will pay back. They are not like those of us (men) who may not pay back." — Director of Corporate Communications, CBN

---

22 KIIs with Financial Institutions
23 'Why Nigerian women are better borrowers than men' – CBN - Kemi Filani News
HIGH-SCORING ENTERPRISING ENs (EENs) AND FINDINGS

The third section reports on the scoring of the sample of 283 businesspeople who shared their personal information about their business and financial behaviour. Using the scoring guide, 100 businesswomen or Enterprising Entrepreneurs (EENs) were selected for business skills development training and preferential access to financial services with Nigeria WAY in coming fiscal year activities.

From the Emeraid Capital assessment, 100 ENs with the highest scores were selected for support on the pathway to becoming EENs. The score sheet (see Appendix 2) ranked the business and financial behaviours based on the questionnaire. Based on the assessment criteria, the maximum obtainable point is 39. The performance of the ENs shows a wide performance gap among the respondents. The upper limit was 32 while the lower limit was six. Jama’are, Bauchi, and Warji had ENs with higher scores than the other four LGAs.

The data analysis identified the highest scoring ENs in each of the LGAs, with an average of 15 ENs per LGA. Figure 17 indicates that most EENs have medium to low business and financial skills. Sixty of the EENs scored above 20 (the mid mark) and 40 ENs scored below the mid mark. Fourteen ENs scored above 25 and none above 30.

High Performing Entrepreneurs or EENs have three capabilities evident through their business and financial skills: structure is visible in their business, they have a vision and a goal for the business, and they feel an ambition to grow their
business. Table 1 indicates these critical metrics for the Enterprising ENs and the concomitant financial and business behaviours visible in the data. However, the challenge for this group is how to grow their business, which was the purpose of identifying them to develop a growth strategy, as outlined in Appendix 4.

Savings and Loans Group savings box
### Table 5: Capabilities of EENs

<table>
<thead>
<tr>
<th>High Performing Capability</th>
<th>Business Behaviour</th>
<th>Financial Behaviour</th>
<th>Record Keeping</th>
<th>Advantages:</th>
</tr>
</thead>
</table>
| Relatively advanced level of structure for business | Registration of business  
- Typical characteristics of registered businesses:  
- Engage non-family labour  
- Able to delegate work, manage time/labour inputs and pay for time which shows their organizational capabilities |                     |                                                                                                          | - Gives a clear financial picture to client ENs, allowing them to keep track of financial flows and assess how the business is progressing  
- It helps businesswomen understand the business impact of lending their money to family members  
- Supports better decision-making on whether to take a loan, how large it should be, and what the repayment terms should be |

| Vision and goal for their business (the desire supported by family and community) | Purchasing assets | Impacts on business:  
- Reducing drudgery so more time can be spent on business rather than repetitive processing activities  
- Improves product quality, which then improves the sale value  
- Agrotechnology can become an additional source of income as it is rented out | Bank Account Ownership | Implications:  
- May allow digital transactions, enabling entry into digital business flows  
- Often correlates to a higher level of business capital, more savings, and potentially more waged labour  
- May lead to larger loan sizes because assets are more evident to lenders  
- Savings may be safer and less visible to family members who may wish to access them |

| Picture of where they want to go (Enterprising ENs have specific detailed goal) | Displaying ambition | Vision for growth, diversification, and other future opportunities  
- May show higher tolerance to risk  
- May show willingness to invest in long term prospects of the business, for example, through formalization | Engagement with formal systems | Able to negotiate formal financial and business structures, including registration and bank accounts |
ANALYSIS AND RECOMMENDATIONS

'Money problem' – Access to Finance

As noted earlier, most businesswomen who are Nigeria WAY clients indicate that their main business challenge is a ‘money problem.’ This is not a surprise as the endemic poverty of the area and the gender and social constraints reinforce the lack of access to finance. Nigeria WAY’s research with the federal government trained Entrepreneurship Development Institutes (EDIs) and the Ministry of Cooperatives suggest that training material and access to training and finance is not gender-responsive, and there exist many obstacles for women in business. Key Informant Interviews with market actors reported that access to finance was also their most challenging problem and that access to money was political and related to personal connections.

SLGs have allowed some Nigeria WAY clients to gain access to financing, easing their ‘money problems;’ as this is happening, other underlying issues that constrain their businesses have become more evident. For instance, some clients do not manage their business money separately from their household money, resulting in some giving their business capital away to family members. Tijarah Microfinance Bank reported that women’s groups who purchased a parboiler on credit thought that if they did not use the machine, they would not have to pay for it, displaying an underlying lack of knowledge on basic financial management skills. During a BDS training, ENs commented that the sessions on managing their money by dividing between house and business with profits invested into SLGs while capital is protected were helpful to them in taking care of their money and business.

Thus, the ‘money problem’ is not the whole picture: a lack of business structure and organization is evident at times. Using a graduated access to financial services process, moving from informal to more formal, can shift the main impediment away from financial access, both practically and symbolically, to highlight other skills and capabilities that women need to strengthen to do their business profitably. With this shift, the focus can move to acquire skills and knowledge to strengthen businesswomen’s capacity and increase their agency.

The ‘money problem’ may be the root of women’s business issues, though it is not the sum total of their challenges. It is where most other problems stem from and is reflective of the social and gender norms constraining their business. Even when women have business capital, the structures and processes in families,
communities, and private and public sectors evident in the social and gender norms hinder their abilities and constrain their business activities, creating a vicious cycle of limitations.27

Family Support for Business

Data from the Key Informant Interviews with women and financial institutions shows that some women are apprehensive about taking loans and making some financial decisions without the permission of their husbands or some form of male authority figure in their lives. Social and gender norms have a role to play in women’s apprehension. For example, some clients reported that when they take loans, their spouse’s signature is required. Others reported borrowing money in secret, while other women said their spouse takes some of the loan money without paying back or paying interest, indicating women do not have complete control over their finances. In addition to other effects, this reduces the woman’s ability to pay back. Family and community support for women’s businesses help address gender and social norms that cut across all business and financial decisions that the client ENs have to make.

Nigeria WAY provided family support training to its clients as part of the project’s Business Development Services. Partners were invited to take part in a one-day

https://www.womenandmoney.design/
training. During the training, GALS Champions\textsuperscript{28} took participants through a Happy Family Tree tool, which is a method to stimulate communication and insights by family heads to bring awareness to partners and family heads on ways of managing gender or cultural constraints in business. Participants who had been experiencing challenges working together as a family shared that this training provided them with a balanced way of working together. They learned that for a family tree to be strong, the burden must not be only on one party but be equally shared to increase family harmony. Ideas suggested by the participants and promoted through the training included:

- Sharing household chores
- Shared asset ownership
- Active involvement and sharing information in each other’s business decisions for the growth of the business.

Early results from the training indicate that there is improved family harmony now that the role of each partner is clear and there are shared responsibilities within the family.

**Impact of Women's Literacy Level on Business Performance**

The impact of literacy on women's business behaviour was not as profound as expected by the WAY team. However, respondents who are not literate still recorded high levels of stability in their business. Women clients (30/283) had various ways of accessing the literacy and numeracy skills they need for their business, including the support of their children and family. Almost nine in 10 (87\% or 247 of 283) can do basic calculations or keep financial records, yet 105 of the 247 who can do basic calculations cannot read or write. In other words, basic numeracy levels are higher than basic literacy levels, which likely contributes to the relatively consistent business stability. Basic financial calculations and record-keeping required for their business have been picked up by these respondents along the way while building their businesses.

Family support was essential to address women’s apprehension to engage with formal financial institutions to access capital. As discussed earlier in the financial behaviour section of this paper, there are several reasons for this apprehension, including low literacy levels of rural women and youth and lack of self-confidence in the formalized space of a bank.

\textsuperscript{28} Gendered Action Learning System (GALS) is a community-led methodology that uses visual diagrams to empower women and men to imagine the future they want by taking action against societal norms that drive gender inequality. GALS Champions are individuals (men and women) who have undertaken the training and adopted it in their families with powerful results which they speak about to their own community.
A Disconnect Between MFIs and Women EN Clients

Over half of the Financial Institutions (9 out of 15) indicated that they had specific financial products for women. Feedback from the FIs indicated that women are not accessing the products as expected. Figure 19 compares the information shared by women clients shared by FIs and shows a significant disconnect.

Figure 19: FIs and women’s perception about financial access

A problem of information asymmetry exists between the MFIs and FIs and their potential women customers and accounts for the disconnect. To address the information asymmetry the MFIs/FIs require advertisement to women audiences. Several vectors are available to reach a women audience through the radio (including community radio) at specific times when women listen, with women extension agents (WiA) and other channels with mainly women audiences. It also requires that the MFIs/FIs listen to women and hear obstacles they face in accessing finance when they are designing women-friendly or gender responsive products. These obstacles such as lack of collateral, requirement of male permission, financial literacy skills with regards to paper and formal processes and access to financial infrastructure to name a few.
RECOMMENDATIONS AND NEXT STEPS

The final section offers a few recommendations based on the findings. The confidence of businesswomen is affected by various factors, including literacy and numeracy, family support, and their business experience. By decentering the money problem using SLGs, other aspects of women’s agency, including building business skills and access to relevant market information, become more visible. The following are recommendations for Nigeria WAY’s future activities, based on this evidence.

**Replication of SLGs needs to be supported further.** SLGs are a starting point to grant women access to finance, which has been depicted as the biggest challenge. The SLGs provide easy access to soft loans with low-interest rates. They also provide women with control over their resources, determine the interest rates and the speed and amount of savings.

The Nigeria WAY SLGs have been so impactful that they have begun to replicate, with 203 new groups recorded so far and other groups springing up in neighbouring Plateau State. This spillover effect with multiple replication groups reflects the model’s effectiveness to address the money problem of these businesswomen.

We recommend the support of SLGs replication through Nigeria WAY key facilitating partners (KFP), adopting a village agent system to provide sustainable support. These agents could be women or youths currently SLG leaders or graduated members of a mature SLG. Activities would include training, coaching, monitoring, supervising, and reporting on replicated groups’ activities. In addition, the village agents would be responsible for forming other groups and providing essential financial management and business skills to the SLGs. Village agents are typically paid by the SLGs either through cash or share allocation.

**Work with FIs on gender responsiveness and marketing of their products.** As noted previously, there is a disconnect between what FIs presume they are delivering to the woman and women’s perception of these products. We will work with FIs to improve the gender responsiveness of their’ women friendly’ products to ensure they are easily accessible to women, that women are aware of the products, that criteria are manageable, and products are being advertised on the right platforms.

**Support to Enterprising Entrepreneurs (EENs).** The 100 identified EENs will receive targeted training to support their business development and access to finance. In addition, a growth strategy will focus on financial access, asset purchase, service improvement to expand their sales and increased staff.
Nigeria WAY will identify more enterprising ENs who show ambition and vision from the pool of her 17,028 ENs who can be supported to grow their businesses and access finance through various available formal financial institutions.

**Increase family support.** Families to be sensitized on the positive impact their support can have on businesswomen if a value is placed on women's labour and childcare. Identifying and supporting men champions in communities that will advocate for support for women in business and stimulating dialogue between men and women on different roles in the family and how to share work between husbands and wives.

Nigeria WAY will seek to provide targeted GALS training to partners of EENs and Women Sales Agents (WoSAs), who are the more enterprising categories of WAY clients. If these levels of ENs receive family support, it will improve their ability to do business and facilitate their graduation to SSBs, providing role models for other businesswomen.

**Increase women's access to finance.** Developing a rural finance development plan, identified MFIs will be supported to engage with businesswomen in the SLGs to facilitate access to formal finance for asset purchase and business expansion.

Nigeria WAY seeks to expand the rural outreach of MFIs among SLGs and other enterprises by supporting these MFIs to explore and maximize the benefits of the inclusive rural market through a business plan that articulates women as profitable customers and how the critical mass market can add value to the banks'
profit books while offering a financial inclusion opportunity for WAY clients and beyond.\textsuperscript{29} Through these and other ongoing activities Nigeria WAY will provide targeted support to EENs and continue providing support to ENs and SSBs. As women's businesses grow and thrive, they gain confidence and skills which are shared with others in their families and communities.

\textsuperscript{29} Annual Work Plan (April 2020-March 2021) – MFI Rural plan
Business Development Skills Training, Bauchi
APPENDIX 1: QUESTIONNAIRE FOR GRADUATING ENs

Questionnaire for Entrepreneurs

The purpose of this questionnaire is to assess the business capacity and sustainability of entrepreneurs eligible for graduating to enterprising ENs.

Date of Interview _____________________________________________________

Name of Enumerator __________________________________________________

Name of Interviewee __________________________________________________

Unique Identifier (UID) ________________________________________________

Phone Number _______________________________________________________

Address _____________________________________________________________

LGA ________________________________________________________________

1. How long have you been in the business?
   a. 1-2 years (   )
   b. 2-3 years (   )
   c. Above 3 years (   )

2. What is the size of capital invested in the business?
   a. 0 - 100,000 (   )
   b. 100,000 - 500,000 (   )
   c. 500,000 - 1,000,000 (   )
   d. Above 100,000 (   )

3. How many workers do you have?
   a. 0 (   )
   b. 1 (   )
   c. 2 (   )
   d. More than 2 (   )

4. Do you have a bank account?
   a. Yes (   )
   b. No (   )

5. If yes, when was it opened
   a. Less than 1 year (   )
   b. 1 – 2 years (   )
   c. 2 – 3 years (   )
   d. Above 3 years (   )
6. Where is the account domiciled?
   a. Commercial bank
   b. Microfinance Bank/Institution
   c. Mobile Money

7. Have you taken a loan with a financial institution?
   a. Yes
   b. No

8. If yes, where did you source the loan from?
   a. Commercial banks
   b. MFB/MFI
   c. SLG

9. How long did it take to repay the loan?
   a. Paid in due time
   b. Paid in due time with difficulties
   c. Defaulted but paid.
   d. Unable to pay

10. What type of premises is your business operating?
    a. Lock up shop
    b. Open stale
    c. Home
    d. None of the above

11. Is your business registered?
    a. Yes
    b. No

12. If yes, is it registered as
    a. Ltd
    b. Enterprise
    c. LGA

13. What is the current situation of your business?
    a. It is increasing but stable
    b. It is increasing but shaky
    c. There is no change
    d. It is decreasing

14. Do you apply any business development skill to your business?
    a. Yes
    b. No
15. If yes, tick the appropriate skill applied; (tick all that applies)
a. Record keeping (  )
b. Business planning (  )
c. Costing (  )
d. Stock control (  )
e. Marketing (  )

16. What is your ability to read and write?
a. Able to read and write in English and Hausa (  )
b. Able to read and write in English only (  )
c. Able to Read and write in Hausa only (  )
d. Can't read or write (  )

17. How is your ability to do basic calculations and keep records
a. Able to do basic calculation and keep financial records (  )
b. Able to do basic calculations but can't keep records (  )
c. Have someone that can assist with calculations (  )
d. Can't perform basic calculations (  )
APPENDIX 2: SCORE SHEET GUIDE

EN Graduation Criteria for Entrepreneurs to Enterprising ENs

Purposive/Quota sampling technique will be used to select 50 ENs with the highest savings from the SLGs in each LGA. The total sample size across the 7 LGAs will be 350 ENs. The 350 selected ENs will be assessed using the criteria below.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enterprise History</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Size of Capital</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Engaging Labour</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Having Account</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Account Opened for How Long</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Credit History</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Repayment History</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Business Location</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Business Registration</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Current Business Performance</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Relevant Business Development Skills</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Level of Literacy</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td>Numeracy</td>
<td>0 1 2 3</td>
</tr>
<tr>
<td><strong>Total Scores</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Scoring Guide

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enterprise History</td>
<td></td>
</tr>
<tr>
<td>&gt;3 years</td>
<td>3</td>
</tr>
<tr>
<td>2-3 years</td>
<td>2</td>
</tr>
<tr>
<td>1-2 years</td>
<td>1</td>
</tr>
<tr>
<td>&lt;1 year</td>
<td>0</td>
</tr>
</tbody>
</table>

| Size of Capital                       |        |
| >1m                                   | 3      |
| 500,000 – 1m                          | 2      |
| 100,000 – 500,000                     | 1      |
| 0 – 100,000                           | 0      |

<p>| Engaging Labour                       |        |
| &gt;2 workers                            | 3      |
| 2 workers                             | 2      |
| 1 worker                              | 1      |
| No workers                            | 0      |</p>
<table>
<thead>
<tr>
<th>Having an Account</th>
<th>Commercial bank</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MFB/MFI</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Mobile Money Account</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>No Account</td>
<td>0</td>
</tr>
<tr>
<td>Account Opened for how long</td>
<td>3-4year</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>2-3year</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>1-2 years</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>&lt;1year</td>
<td>0</td>
</tr>
<tr>
<td>Credit History</td>
<td>Commercial Banks</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Borrowed from MFB/MFI</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Borrowed from SLG</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>None</td>
<td>0</td>
</tr>
<tr>
<td>Repayment History</td>
<td>Paid as at when due without difficulty</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Paid as at when due with some difficulties</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Defaulted but eventually paid</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Unable to pay</td>
<td>0</td>
</tr>
<tr>
<td>Business Location</td>
<td>Lockup shop</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Open Stale</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Home</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>None</td>
<td>0</td>
</tr>
<tr>
<td>Business Registration</td>
<td>LTD</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Enterprise</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>LGA</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>None</td>
<td>0</td>
</tr>
<tr>
<td>Current Business Performance</td>
<td>Increasing and Stable</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Increasing but Shaky</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>No Change</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Decreasing</td>
<td>0</td>
</tr>
<tr>
<td>Relevant Business Development Skills</td>
<td>Record Keeping</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Business Planning</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Costing</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Stock Control</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Marketing</td>
<td>1</td>
</tr>
</tbody>
</table>
### Level of Literacy

<table>
<thead>
<tr>
<th>Description</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Able to read and write in English and Hausa</td>
<td>3</td>
</tr>
<tr>
<td>Able to read and write in English</td>
<td>2</td>
</tr>
<tr>
<td>Able to read and write in Hausa</td>
<td>1</td>
</tr>
<tr>
<td>Can't read or write</td>
<td>0</td>
</tr>
</tbody>
</table>

### Numeracy

<table>
<thead>
<tr>
<th>Description</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Able to do basic calculation and keep financial records</td>
<td>3</td>
</tr>
<tr>
<td>Able to do basic calculations but can't keep records</td>
<td>2</td>
</tr>
<tr>
<td>Have someone that can assist with calculation</td>
<td>1</td>
</tr>
<tr>
<td>Can't perform basic calculations and do not have someone to assist</td>
<td>0</td>
</tr>
</tbody>
</table>

**Key for Rating**

3 = Excellent/No Risk  
2 = Strong / Some Risk  
1 = Weak / Substantial Risk  
0 = Unacceptable
Offices in Canada, the United States and around the world. Visit our website for a complete list.

1-800-665-7026
www.meda.org
meda@meda.org

Creating business solutions to poverty