BREAKING BARRIERS: EXPLORING FACTORS SHAPING ACCESS TO BUSINESS START-UP CAPITAL AMONG FEMALE ENTREPRENEURS IN LAGOS STATE, NIGERIA

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ABSTRACT

The study investigated the factors that hinder female entrepreneurs' access to startup capital in Lagos State, Nigeria. The research used a hybrid method design, combining both quantitative and qualitative data collection methods. The study focused on female entrepreneurs in micro, small, and medium-sized enterprises based in Lagos State who started their businesses less than five years ago. The sample size of 422 female entrepreneurs was determined through Cochran's 1977 sample size determination formular and selected using multi-stage sampling techniques to administer copies of the study questionnaire; and six entrepreneurial association executives were purposively selected for the Key Informant Interviews. The quantitative data analysis was carried out using Statistical Package for Social Sciences (SPSS) 21.0, while the qualitative data were analyzed using content analysis and descriptive methods. The study found that the acknowledged common sources of startup capital were family and friends, personal savings and cooperative societies, while lack of awareness of available sources of startup capital, non-membership of clubs and associations and limited access to collateral security were the major factors that hindered female entrepreneurs' access to startup capital. The study recommends implementing policies and programmes that augment female entrepreneurs' access to finance, such as providing business training programmes and increasing access to microfinance institutions. These policies and programmes would help to address the identified challenges and create a more conducive environment for female entrepreneurs in Lagos State, Nigeria.

Keywords: *Startup Capital, Female Entrepreneurs, Medium-sized Enterprises, Collateral Security*

INTRODUCTION

Since the 1970s, women have joined the workforce in increasing numbers, taking on more challenging tasks and requiring additional income to meet their basic needs. As a result of technological advancements and social changes, the job market has expanded for both genders, making jobs more accessible to women. Furthermore, with the rising level of unemployment in the formal sector, the number of those searching for opportunities in the informal sector, especially small and medium scale enterprises has continued to swell (Onyeonoru, Omolawal & Okunola, 2019). This has led to a surge in female employment, resulting in an increase in female entrepreneurship as well. Female entrepreneurship has become an attractive option for women seeking to establish themselves as successful entrepreneurs. Due to this increase in female employment, female entrepreneurship has become more common than male entrepreneurship. Women now make up almost half of all small business owners worldwide.

An entrepreneur uses startup capital to support the beginning of a new company. Startup capital can come from various sources of finance and can be used to cover expenses such as hiring employees, renting office space, buying inventory, and other operational expenses. A new company frequently requires more than one round of startup capital investment to get off the ground. Investors who back new businesses with startup capital include venture capitalists and financial institutions. According to Minniti (2007), the success of a small business depends on various factors such as age, size, network, customer relations, financial capacity, human resources, market and product, and growth potential. Therefore, funding is one of the main issues impeding the growth of small enterprises in Nigeria. The availability of investment money is crucial to the survival and expansion of small firms. However, small and medium-sized firms are unable to expand and obtain long-term finance, which, when scarce, contributes immensely to business failure in Nigeria and globally (Gbandi & Amissah, 2014).

Generally, the role of entrepreneurship as a driver of comprehensive growth in Nigeria has also been acknowledged (Onyeonoru *et al*, 2019). Over the last two decades, the role of female entrepreneurs in driving social and economic progress has been increasingly recognized. The significant contribution of female entrepreneurs in national development is widely recognized. Women-owned entrepreneurial ventures have been instrumental in creating jobs, driving innovation, and propelling economic growth. The Global Entrepreneurship Monitor (GEM) (2021) found that women accounted for one out of every three growth-oriented entrepreneurs in 2021. Moreover, Vanguard News (2021) reported that Nigeria has over 23 million female entrepreneurs, placing it among the top countries with the most entrepreneurs globally in 2021.

Unfortunately, studies have shown that women entrepreneurs encounter less support than their male counterparts when trying to access business resources. According to Langowitz & Minniti (2007), this is inconsistent across all findings. Centindamar *et al*. (2012) found that three types of capital: human, family, and financial, are necessary for starting a business, regardless of gender. Interestingly, the study found that the impact of human capital on women becoming entrepreneurs is more significant than men, contrary to expectations. Family capital makes it easier for women to enter entrepreneurship in families with fewer children. There were no gender differences observed in terms of the effect of financial capital. Yogendrarajah & Semasinghe (2015) conducted a study of a group of Sri Lankan women and found a significant correlation between microfinance programmes and entrepreneurship development. Improving access to credit for women entrepreneurs can enhance their risk management skills and self-efficacy, contribute to their family's economy, improve their quality of life, and ultimately reduce gender inequality. Access to financing, including seed capital, has been identified as a significant obstacle to entrepreneurial activity in developing and emerging nations, particularly in Africa (Brixiová & Kiyotaki, 1997; Baliamoune-Lutz, Brixiova & Ndikumana, 2011).

Gender bias has been a common occurrence in every society at some point in history. The type and level of discrimination experienced in a community are largely influenced by the cultural norms of that time (Ohia & Nzewi, 2014). In Nigeria, cultural expectations define the gender roles of men and women (Mordi, Simpson, Singh & Okafor, 2010). Girls are expected to stay at home while boys are sent to school and trained to become independent. Even after marriage, women are expected to focus on household duties while their husbands provide for the family. The names given to most indigenous women in various tribes in Nigeria confirm this claim. For example, married women are called *iwerigida* (housekeepers) among the Hausa, *oriaku* (someone who stays home and enjoys their husband's wealth) among the Igbo, and *Iyawo olowo iyebiye or Iyawo ilekikun* (meaning housewife) among the Yoruba.

According to the Global Entrepreneurship Monitor (GEM), between 17% and 41% of adult women in developing countries are starting new businesses. However, many female business owners in these countries lack the ambition to grow, with 84.6% expecting to employ fewer than five people in the next five years. Additionally, the existing literature on women entrepreneurs in developing countries is primarily focused on the startup phase and provides limited information about later stages. A study by Onoshakpor & Cunningham (2017) sheds light on the challenges Nigerian women entrepreneurs face, hindering their business development. Despite these obstacles, Nigerian women-led businesses exhibit growth-oriented characteristics such as a focus on quality and reputation, strategic organizational design, early preparation for business expansion, adaptability to technological advancements, and a solid commitment to achieving business success.

According to a report by the United Nations Industrial Development Organization (UNIDO) (2001), women are generally productive, particularly in industries. Although Small and Medium Scale enterprises can be small because many of them employ less than a given number, yet their overall contributions cannot be overemphasized (Adeniyi, Dairo & Omolawal, 2024). This productivity enables them to be economically empowered and contribute significantly to the overall progress and advancement of a country as well as their families (UNIDO, 2001). Nigeria is increasingly interested in using entrepreneurship to generate inclusive growth and employment opportunities, especially for women and youth, in addition to the traditional subsistence agricultural practices (Brixiová et al., 2015). Despite a seeming rise in the number of female entrepreneurs in recent years, women account for only about 30% of new business formations in Nigeria today (Adetoyinbo, 2021). Women are more likely to register new enterprises in the service and retail sectors, whereas men are more likely to do so in high-technology, manufacturing, and construction sectors. It is interesting to note that about 40.7% of working-age women in Nigeria engage in early-stage entrepreneurial activity, which is higher than the 39% of their male counterparts (Minniti, 2007).

From a PricewaterhouseCoopers (PwC) (2020) report, 41% of micro businesses in Nigeria are owned by female entrepreneurs. However, these businesses tend to grow slower than those owned by males, and the reasons for this are not yet fully understood. In 2017, the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) found that access to capital is one of the most crucial areas where MSMEs (Micro, Small, and Medium Enterprises) in Nigeria need help. A 2020 PwC report also revealed that financial institutions often overlook or fail to adequately serve around 55% to 68% of MSMEs in developing countries, causing a significant credit gap of USD 5.1 trillion. Before the COVID-19 pandemic, the annual funding shortfall for MSMEs in Nigeria was approximately 617.3 billion naira, as per the report

Despite this, MSMEs contribute to around 50% of the country's Gross Domestic Product (GDP), as per the PwC report (PwC, 2020). Women often find it more difficult than men to turn their business ideas into successful enterprises due to limited access to networks, funding, and role models. In Nigeria, for instance, the small business sector is under-financed, and financial institutions often deny credit to 65% of the economically active population, mostly women (Adenugba & Adedoyin 2013). The application process can be time-consuming and daunting, which discourages many women from seeking funds. A significant hindrance to entrepreneurial development among women globally is the lack of access to funds, especially at the initial stages of starting a business (Coleman & Robb, 2018). This lack of funding has led to several social, psychological, and economic-related issues, including poverty, poor living standards, increased domestic violence, low socioeconomic status, depression, low self-esteem, and limited involvement in community development. Consequently, many innovative ideas proposed by female entrepreneurs in Nigeria have gone to waste.

Despite progress made in recent years, female entrepreneurs still face persistent obstacles. Unfortunately, only a small proportion of MSMEs, particularly those owned by female entrepreneurs, have access to sufficient funding for working capital and business growth or expansion, accounting for less than 5%. Female entrepreneurs often face difficulties accessing traditional funding sources during the start-up phase, and hence they depend on personal resources or borrow from the informal financial sector. Insufficient funding is frequently cited as a significant barrier that prevents women from entering more profitable sectors. According to a body of literature on entrepreneurship, entrepreneurs tend to exhibit lower risk aversion levels than salaried workers. Izendonmi & Ogunrinola (2015) argue that the amount and composition of seed capital in small businesses reflect the owner's risk-taking attitude. Belwal (2008) emphasizes that gender differences in seed capital can be attributed to differences in risk-taking. Financial institutions consider various criteria such as the entrepreneur's experience in running a business and the company's nature before granting loans.

Numerous studies have been conducted to address female entrepreneurial intention, attitude, and accessibility to funding. These studies have made commendable contributions, and their recommendations have been used to formulate policies, initiate intervention programmes, and establish financial institutions such as the Development Bank of Nigeria. However, despite these efforts, many female entrepreneurs in Nigeria still struggle to access funds to initiate and sustain their business ideas. This suggests that previous studies may not have fully addressed the issues that are limiting access to start-up funds among female entrepreneurs in this region. Therefore, this study set out to investigate the factors that influence the accessibility to business start-up capital among female entrepreneurs in Lagos State, Nigeria. In addressing this broad objective, three specific objectives were carved out: to investigate the common sources of capital acknowledged as being most accessible; to investigate factors affecting access to startup capital, and to investigate factors influencing the proportion of female access to startup capital in Lagos state.

THEORETICAL FRAMEWORK

This study employs the theory of Socialist Feminism, which focuses on both the private and public spheres of women's lives. The theory argues that true freedom can only be achieved if women's economic and cultural causes of oppression are eliminated simultaneously. It combines Marxist Feminist ideas on how capitalism contributes to the mistreatment of women and radical feminist arguments on the role of gender and patriarchy. Unlike radical Feminism, Socialist Feminists do not view patriarchy as the sole or primary source of female oppression. Instead, they believe that women's financial dependence on men hinders their ability to attain genuine freedom in society. This financial dependence reinforces the power dynamics of capitalism, where women are relegated to a subservient position to male capitalists.

Socialist Feminism diverges from radical Feminism by contending that women's economic dependence on men under capitalism is a crucial factor in their oppression. Socialist feminists believe that wealth inequality perpetuates women's subservience to men and, as a result, they cannot be liberated unless the economic system is transformed. They disagree with the Marxist perspective that social classes and their conflicts are the only crucial factors in shaping historical and economic progress. They believe that this perception of gender oppression as a subset of class oppression is simplistic and fails to recognize how gender and class intersect to create diverse forms of oppression and privilege for both women and men across countries. Therefore, a significant goal of Socialist Feminism is to explain the intricate connections between gender and class and their impact on society. The theory explores the coping mechanisms employed by women in the informal labor market. By applying this theory to the study of the informal sector, it is possible to identify ways of eradicating discrimination and other obstacles women encounter, ultimately bolstering their ability to compete in the labor market.

METHODS

The study was a cross-sectional survey that used both quantitative and qualitative methods of data collection. The qualitative method used the Key Informant Interview technique, which was found useful to complement the data collected through the quantitative method. The research was conducted in the Lagos metropolis, covering residential, educational, institutional, and commercial facilities that capture the yardsticks used for the study to gather data that is genuinely representative of Nigerian female entrepreneurs. According to Startup blink (2022), the startup ecosystem of Lagos State is ranked 1st in Nigeria, 1st in Western Africa and 21st globally. Lagos is a commercial nucleus with a high population and accommodating many small and medium-scale enterprises.

The population for this research consisted of female entrepreneurs whose businesses fall into the micro, small, and middle enterprise categories, who are based in urban local government areas in Lagos State, and who started their businesses less than five years ago. The study utilized a multi-stage sampling procedure; the first stage involved using a simple random sampling technique to select three Local Government Areas out of five in Lagos Metropolis. The second stage involved selecting three business areas from the selected three Local Government Areas in the Lagos metropolis. This makes the selected market/business areas within the Lagos metropolis nine (9) markets/business areas. The third stage involved using a convenience sampling technique to select 422 (determined by using Cochran's 1977 sampling formular) female entrepreneurs from the selected nine market/business areas within the Lagos metropolis. Qauntitative data were collected using a structured questionnaire administered on the selected samples while qualitative data were collected from six executives of entrepreneurial associations. Quantitative data collected were analysed using Statistical Package for the Social Sciences (SPSS) 21.0, which utilizes descriptive statistical techniques like frequency count, percentile means, and standard deviation. Using. In contrast, the qualitative data obtained through key informant interviews were analyzed using descriptive and content analysis methods. Every effort was made to observe relevant ethical principles designed to protect the study participants and the information they provided.

FINDINGS AND DISCUSSIONS

a. Socio-demographic information of the Respondents

This section focuses on the socio-economic characteristics of the respondents. A total of 397 copies of the questionnaire duly completed was analysed for the study and the data collected are presented as follows: Socio-demographic information such as age, marital status, educational level, number of children, type of family, spouse employment status, nature of employment, sector of business, work experience, business registration status, and firm size were considered. These characteristics are beneficial because they allow for differentiation among the participants, facilitate a comparison of responses, and help to explain similarities or differences in responses to the substantive issues of the research.

The results indicate that the majority (25.2% and 18.9%) of respondents were in the age groups <30 and 30-34 years, respectively, while only a few (4.3%) were over 60 years old. Next is the distribution of the marital status among the 397 respondents. Among them, 27.5% were single, 62.0% were married, 6.5% were divorced or separated, and 4.0% were widowed. The high percentage of married respondents can be attributed to the cultural significance of marriage in Nigeria. Research by Akinyemi and Adediran (2015) on the perception of marriage in Nigeria revealed that it is considered a crucial social institution that provides a sense of security, stability, and social acceptance. Moreover, the Nigerian culture places great value on procreation, which is often associated with marriage. The relatively low percentage of divorced or separated respondents can be explained by the social stigma attached to divorce in Nigeria. A study conducted by Adegbola and Adegbola (2014) on the social and cultural factors affecting divorce in Nigeria found that divorce is often viewed as a failure of the marriage institution and can lead to social exclusion and ostracism. The low percentage of widowed respondents may be due to the young age of the sample population, as Nigeria has a relatively low life expectancy of 54.5 years (World Bank, 2021). The distribution of marital status among the respondents suggests that marriage is a crucial social institution in Nigeria, and divorce and widowhood are relatively rare occurrences. These findings are consistent with previous research on the cultural and social factors influencing marital status in Nigeria.

The distribution of the educational level of the respondents shows that majority of them (53.4%) held a university degree, while 30.7% had secondary education. Only a small percentage of respondents had post-graduate degrees (7.3%), with 5.0% having primary education, and just 3.5% having no formal education. These statistics are in line with the literacy rate in Nigeria, which was 59.6% as of 2019. The high percentage of degree holders among the respondents indicates an increase in the number of people pursuing higher education in Nigeria. Additionally, the low percentage of respondents with no formal education (3.5%) shows an improvement in the country's education system since the proportion of individuals with no formal education in Nigeria has decreased over the years (Adeniyi, Oyeyemi and Oke, 2018). However, it is important to note that the respondents in this study are relatively educated, with a high percentage of degree holders. This could affect the generalizability of the results, as individuals with higher education levels may have different opinions and behaviors than those with lower levels of education.

b. Sources of Capital acknowledged as being accessible to Female entrepreneurs

This section investigates the sources of capital which the respondents acknowledged as being accessible for them to secure startup capital among female entrepreneurs in Lagos State.

Table 1.1: Sources of capital acknowledged as being accessible to Female Entrepreneur

Statement	Frequency (%)	Percentage (%)
Family and friends	145	36.5%
Personal savings	79	19.9%
Bank credit	10	2.52%
Loan from cooperative	37	9.3%
Microfinance Banks	33	8.31%
Money lender	24	6.1%
Angel investors	14	8.6%
Venture capitalists	0	0%
Grant	9	2.3%
Trade credit/vendor credit	28	7.1%
Thrifts	18	4.5%
Total	**397**	**100%**

Source: Researchers' Field Work, 2023

According to the table above, the most significant source of capital comes from family and friends, which accounts for 36.5% of the responses. This is consistent with previous research on Nigerian entrepreneurs, which found that personal networks, including family and friends, are crucial sources of capital for entrepreneurs who have limited access to formal financing (Adetiloye & Adetiloye, 2015; Adeoti, Olayinka, & Akinwale, 2017). The second most common source of capital is personal savings, which represents 19.9% of the responses. This finding is also consistent with previous research on Nigerian entrepreneurs, which found that self-funding, including personal savings, is a prevalent source of startup capital (Adetiloye & Adetiloye, 2015; Adeoti *et al.,* 2017). On the other hand, bank credit and venture capital are the least common sources of capital, with only 2.52% and 0% of the responses, respectively.

This result highlights the challenges that female entrepreneurs face in accessing formal financing from banks and venture capitalists in Nigeria, which could be due to factors such as the lack of collateral, credit history, and financial literacy. Lastly, microfinance credits, loans from cooperatives, angel investors, grants, and trade credit/vendor credit are acknowledged by less than 10% of the respondents, indicating that these sources of capital are not as commonly used as loans from family and friends by female entrepreneurs in Nigeria. An interviewee stated that these findings confirm the importance of personal networks in accessing funding for female entrepreneurs in Nigeria.

> Entrepreneurs have several sources of finance available to them. The most accessible ones include personal savings, funds from family and friends, cooperative society credits, and trade credits. These sources are advantageous

as they usually require little or no interest rates, and in most cases, no collateral security is necessary. Additionally, they can be accessed quickly, making them a viable option for entrepreneurs who need immediate funding. (KII/Male/ Nigeria Association of Tailor/10th March 2023).

Entrepreneurs have a variety of finance options that they can explore to get funding for their business ventures. Some of the most accessible sources of finance include personal savings, funds from family and friends, credits from cooperative societies, and trade credits. These sources of finance are advantageous because they usually do not require high interest rates, and in most cases, no collateral security is necessary. Moreover, they can be accessed quickly, making them a suitable option for entrepreneurs who need immediate funding. There is need to emphasise the fact that based on these findings, the inability of female entrepreneurs to secure loans from institutional or formal bodies suggests lack of inclusiveness for women in the formal sector and therefore constitutes a major barrier hindering female entrepreneurship in the country. According to Omolawal (2023), the significance of small and medium scale enterprises cannot be over-emphasised, and they have been described as the 'engine growth' of the economy. Therefore, to ensure the prosperity of this sector, there is need for the inclusiveness of both genders

c. Factors affecting access to startup capital among female entrepreneurs in Lagos State

This section presents data on the factors affecting access to startup capital in the study location, and the table below presents the data:

Table 1.2: Analysis of Factors Affecting Access to Start-up Capital

Statement	SD (%)	D (%)	U (%)	A (%)	SA (%)	Total
Women with low educational levels have difficulty applying for fund	1(0.3)	100(25.4)	44(11.1)	228(57.4)	23(5.8)	397(100)
Financial institutions give preference to existing businesses.	1(0.3)	16(15.4)	21(5.3)	245(61.7)	68(17.1)	397(100)
Demand for collateral security by financial institutions affects your intention to apply for funds.	6(1.5)	24(6.0)	17(4.3)	283(71.3)	67(16.9)	397(100)
The high-interest rate of loans does not affect female entrepreneurs' willingness to borrow	50(12.6)	221(55.7)	20(5.0)	95(23.9)	10(2.6)	397(100)
Insufficient paperwork due to lack of business registration influences acceptance of the loan application	6(1.5)	60(15.0)	74(18.6)	240(60.5)	17(4.3)	397(100)
Women's funds are easily accessible since there are no inhibiting requirements	48(12.1)	245(61.7)	33(8.3)	66(16.6)	5(1.3)	397(100)
Need to be a member	4(1.1)	29(7.3)	53(13.4)	254(64.0)	57(14.4)	397(100)

of the club or association to get funds from them						
Government grants allocated to women to start businesses reach a large percentage of female entrepreneurs who need finances	127(32.1)	167(42.1)	36(9.1)	57(14.4)	10(2.5)	397(100)

Source: Researcher's Fieldwork, 2023

The table above analyses entrepreneurs' access to start-up capital in Nigeria. The table displays the percentage of respondents who strongly disagreed, disagreed, were undecided, agreed, and strongly agreed with each statement. The majority of the respondents (57.4%) agreed that women with low educational levels have a hard time applying for funds, indicating that education is a crucial factor in accessing start-up capital. This finding is supported by Onugu, Eze & Eke (2017), who stated that education enhances women's financial literacy, thereby improving their access to finance. With regards to financial institutions' preference for established businesses, 61.7% of the respondents agreed. This result confirms that start-ups face significant challenges in accessing funding, and financial institutions are more inclined to lend to established businesses. This finding is consistent with Adegbite & Owolabi (2018), who observed that financial institutions' risk aversion limits their lending to start-ups.

The majority of respondents (71.3%) agreed that financial institutions' demand for collateral security affects their intention to apply for funds. This finding is consistent with Adegbite & Owolabi (2018), who noted that financial institutions' requirement for collateral security limits access to start-up capital. Regarding the effect of high-interest rates on female entrepreneurs' willingness to borrow, 55.7% of respondents disagreed with the fact that a high-interest rate does not affect the willingness to borrow. This result shows that the high-interest rate is one of the significant factors limiting female entrepreneurs' access to capital. Respondents (60.5%) agreed that insufficient paperwork due to a lack of business registration influences the acceptance of the loan application. This result underscores the need for proper documentation to access finance. This finding is supported by Ayogu & Agu (2015), who observed that proper documentation is necessary to access funding from financial institutions. Concerning the accessibility of women's funds, 61.7% of respondents disagreed, indicating that women's funds are not easily accessible because of the requirements of some financial institutions, such as collateral security. This result suggests that women entrepreneurs face significant challenges in accessing funds in Nigeria.

Regarding the need to be a club or association member to get funds, 64% of the respondents agreed. This result highlights the importance of social connections not just in accessing start-up capital, but generally as a strategy to overcome the challenges in the Nigerian society. Social connections are the webs of relationships that exist between and among people in the society, and which are used to protect and promote personal interests (Omolawal, 2023). This finding is supported by Ojo & Adewale (2018), who observed that networking enhances women's access to finance. The majority of respondents (74.2%) disagreed that government grants allocated to women to start businesses reach a large percentage of female entrepreneurs who need finances. This result indicates that government intervention in providing start-up capital is not reaching the intended beneficiaries. This finding is consistent with Oke, Adeyemo & Agbonlahor (2007), who noted that government policies to provide start-up capital for women are not adequately implemented.

To buttress the points, a participant stated thus:

> One may face barriers to accessing finance due to lack of collateral security, high-interest rates, and extended loan processing periods,

among other reasons. (KII/Female/ Nigeria Association of Wood dealer/10th March 2023)

The findings of this study highlight the difficulties that female entrepreneurs encounter when trying to access start-up capital in Nigeria. Access to education, collateral security, networking, and proper documentation are crucial factors that influence finance accessibility. The study emphasizes the necessity for additional government interventions to provide start-up capital for women entrepreneurs.

d. Factors Influencing the Proportion of Female Access to Startup Finance

This section interrogates factors influencing female access to startup capital in Lagos State and the table below presents the data:

Table 1.3: Factors Influencing the Proportion of Female Access to Finance

Statement	Strongly Disagree (%)	Disagree (%)	Undecided (%)	Agree (%)	Strongly Agree (%)	Total
Women-owned start-up are not funded on an equivalent basis to men-owned new businesses	5(1.4)	93(23.4)	27(6.7)	230(57.9)	42(10.6)	397(100)
Women tend to run small businesses which require small funds compared to their male counterparts.	3(0.8)	98(24.7)	57(14.4)	226(56.9)	13(3.3)	397(100)
More men are involved in fast-growing sectors such as ICT where there is access different funding.	4(1.1)	11(2.7)	20(5.0)	304(76.6)	58(14.6)	397(100)
Lending criteria are more favourable to male Entrepreneurs.	5(1.4)	44(11.1)	45(11.3)	282(71.0)	21(5.3)	397(100)
Behavourial differences in males and females such as risk-taking are said to be the primary determinant of male entrepreneurs having more access to finance.	2(0.6)	50(12.6)	46(11.6)	276(69.5)	23(5.8)	397(100)
Male entrepreneurs are assumed to have economic dependence, therefore, are more attractive to formal formal financial institutions.	3(0.8)	43(10.8)	83(20.9)	247(62.2)	21(5.3)	397(100)
Financial institution believe that Female entrepreneurs are more likely to have issues with loan repayment.	9(2.3)	87(21.9)	41(10.3)	191(48.1)	69(17.4)	397(100)

Source: Researchers Fieldwork, 2023

This table displays the responses of a group of people on the factors that affect the proportion of female access to startup finance in Nigeria. According to the data, most respondents agreed that women-owned start-ups are not funded on an equal basis as men-owned businesses (57.9%). Similarly, the majority of respondents also agreed that lending criteria are more favourable to male entrepreneurs (71.0%), and that more men are involved in fast-growing sectors like ICT, which provide access to different funding (76.6%). The respondents also agreed that women tend to run small businesses that require less funding compared to their male counterparts (56.9%). Additionally, most of the respondents agreed that differences in behaviour between males and females, such as risk-taking, are the primary determinants of why male entrepreneurs have more access to finance (69.5%). To support this, a 44-year-old male entrepreneur, during an interview, explained thus:

> Male entrepreneurs have more access to finance compared to females because of these inherent differences. Male and female entrepreneurs differ in their approach to finance; women are more cost-conscious and explore different sources of funding, while men are more aware of the financial options available. (KII/Male/Nigeria Association of Wood dealer/10th March 2023)

It was found that most of the survey participants believed that male entrepreneurs are considered to have financial stability and are therefore preferred by formal financial institutions. This belief was shared by 62.2% of the respondents. On the other hand, the survey revealed that most financial institutions assume that female entrepreneurs have a higher likelihood of facing difficulties in repaying loans. This perception was agreed upon by 48.1% of the survey participants. This negative perception could potentially limit the access of women entrepreneurs to finance, as financial institutions may be hesitant to provide credit to women-owned businesses based on this unfounded perception. Contrary to this, an interviewee stated thus:

> Certain financial service providers prioritize female entrepreneurs because studies have shown that they have a higher tendency of paying back their loans on time and are less likely to default compared to male entrepreneurs. It has also been observed that female entrepreneurs are more cautious and considerate about the interest rates they will have to pay before taking out a loan. This makes them less likely to take a loan that is beyond their capacity to repay. (KII/Female/Nigeria Association of Tailors/10th March 2023).

The foregoing findings are in line with prior studies regarding gender and access to finance in Nigeria. For instance, a study conducted by Osabuohien & Efobi (2013), revealed that lending institutions in Nigeria tend to discriminate against women entrepreneurs in the provision of credit. Similarly, Adeoti & Adetiloye (2015), found that women entrepreneurs in Nigeria face multiple challenges in accessing finance, including the perception that they are less credit worthy than their male counterparts. The above suggests that Women-owned enterprises in Nigeria encounter various obstacles in accessing finance, such as discrimination by lending institutions, limited access to fast-growing sectors, and unfounded perceptions of their creditworthiness. These findings underscore the need for policymakers and financial institutions to address gender biases in access to finance and develop policies that foster gender equality in entrepreneurship. However, some interviewees believe that there is no discrimination between male and female entrepreneurs in terms of finance access. The interviews suggest that opinions differ on whether male entrepreneurs have greater access to finance compared to female entrepreneurs. Arguments also exist on whether female have less propensity to take business risks than men. Their arguments are based on the views that gender differences in risk-taking behavior, loan repayment history and less awareness of available funding sources among the female folk in the country. In harnessing both positions, Omolawal (2023) noted that differences in gender risk behaviour and decisions are context depended and domain specific, and this may account for the contradictory results in the findings of various studies.

This study provides insights into the sources of capital accessible to female entrepreneurs in Lagos State namely Microfinance credits, loans from cooperatives, angel investors, grants, and trade credit/vendor credit were acknowledged by less than 10% of the respondents, indicating that these sources of capital are not as commonly used as loans from family and friends by female entrepreneurs in Nigeria. The study analyzed factors affecting access to start-up capital for female entrepreneurs in Nigeria and found that education, collateral security, networking, and proper documentation are critical factors influencing access to finance. The study also highlights the need for more government interventions to provide start-up capital for women entrepreneurs.
Female entrepreneurs in Nigeria believe that there is gender inequality in accessibility to finance. Factors such as women running small businesses compared to their male counterparts, behavioural differences between men and women and men having more access to the collateral security required by financial institutions influence male entrepreneurs having more access to capital. Solutions suggested to bridge the gap include private and government initiatives to provide more funds specifically to empower women-owned businesses, investors to invest based on merit and not gender, and financial training to be organized for female entrepreneurs so they can be well informed to make good financial decisions. These findings corroborate the existing literature on the subject and highlight the significance of combating gender disparities in access to finance for entrepreneurship to support sustainable economic growth in Nigeria (Okeke-Uzodike, 2019). The findings also support the socialist feminist theory adopted by the study which sees women's oppression not as a product of patriarchy but as a product of inability to compete with men in gaining access to resources that would have broken the barriers to their economic freedom, prosperity and social status in the society.

CONCLUSION

The study suggests that a significant number of female entrepreneurs in Nigeria are involved in retail businesses and many of these businesses are still in their early stages, indicating the resilience of Nigerian entrepreneurs. However, the study also reveals that a significant proportion of female entrepreneurs in Nigeria do not register their businesses, which may limit their access to formal financing, government contracts, and other benefits available to registered businesses. The study also shows that many Nigerians value having a work-life balance that allows them to control their schedules. Furthermore, the study establishes that many female entrepreneurs in Nigeria have a low or average level of awareness of sources of start-up capital, which could be a significant barrier to accessing funding for their businesses. Overall, the study suggests that more opportunities must be created for women entrepreneurs to access capital and expand their businesses, particularly in sectors outside of wholesale and retail. This means that the government and other stakeholders must create a more enabling environment for entrepreneurship by simplifying the registration process, reducing bureaucratic procedures, and providing more support to women entrepreneurs. Financial institutions should also provide more accessible and flexible funding options for female entrepreneurs, particularly those in sectors outside of wholesale and retail. More resources and support should be provided to encourage women's participation in other sectors of the economy. To achieve this, the study recommends that female entrepreneurs should be encouraged to register their businesses to enable them to access formal financing, government contracts, and other benefits. Entrepreneurship education and training programmes should be made available to female entrepreneurs to improve their knowledge and skills in managing their businesses and accessing funding. Female entrepreneurs should also be encouraged to form business networks and alliances to share resources, knowledge, and expertise. Finally, the Nigerian government should introduce policies and programmes to address gender-based discrimination and promote gender equality in entrepreneurship.

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