EFFECT OF SOCIAL CAPITAL ON POVERTY ALLEVIATION: A STUDY OF WOMEN ENTREPRENEURS IN NASARAWA STATE, NIGERIA

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Abstract
The entrepreneurial performance of women in developing countries is influenced by microfinance factors such as social capital. However, there are mixed findings on the effect of social capital on poverty alleviation. Thus, this study assessed the effect of social capital on self-employment, education, training and skills acquisition, and economic empowerment. The study adopted survey research design and systematic sampling technique to select the elements that completed the research questionnaire. Regression statistical method was employed to analyse the generated data. It was found that social capital is significantly related to self-employment, education, training and skills acquisition, and economic empowerment. The researchers recommended the creation of more awareness on the relevance of social capital to women entrepreneurs. Also, social networking and social capital acquisition among women entrepreneurs should be encouraged through women entrepreneurs’ associations and cooperative societies.

Keywords: Social capital, poverty alleviation, economic empowerment, skills acquisition

Introduction
Women, the world over, suffer from various types of inequalities and discriminatory practices [National Bank of Agriculture and Rural Development (NABARD), 1992, as cited in Arora & Meenu, 2010]. Nigerian women, like their counterparts in other parts of Africa traditionally have multiple responsibilities that are home-based and less risky. These have negative implications, as low risk activities are often those, which produce limited returns (Nwoye, 2007). Despite the council role of women entrepreneurs in the economic development of their families and countries; it has however, been discovered that women entrepreneurs have low business performance compared to their male counterparts (Akanji, 2001). Also, despite the fact that women entrepreneurs in developing countries are considered to be better in thrift and credit utilization in the informal sector of the economy than the men, they are still considered to be at the lowest rung of poverty ladder (poorest of the poor). This is caused by microfinance factors – lack of credit, savings, education and training, and social capital (Akanji, 2001; Iheduru, 2002; Shane, 2003; Kuzilwa, 2005; Nwoye, 2007; Lakwo, 2007; Iganiga, 2008; Ibru, 2009; Akinyi, 2009; Okpukpara, 2009; NABARD, 1992, as cited in Arora & Meenu, 2010; Abdulkadir et al., 2012). These pitfalls have become impediments in the socio-economic development of women in the Nigerian society (Abdulkadir et al., 2012).

The Nigerian government has acknowledged the importance of mainstreaming women into the national development process sequel to the failure of most of the poverty alleviation policies, initiatives and programmes (Ogundele et al., 2012). This turn around witnessed the initiation of steps towards alleviating poverty through the introduction of formal microfinance policy and framework (Nwoye, 2007; Abdulkadir et al., 2012), and achieving the Millennium Development Goals (MDG), that is, halving extreme poverty by the year 2015 (Lindvert, 2006; Irobi, 2008).

One of the successes of entrepreneurship development in Nigeria is the reduction of unemployment and poverty alleviation (Osunde & Mayowa, 2012). The role of small/micro enterprise in poverty alleviation has long been recognized as vital, and promotion of small and micro-enterprises
for women has been recognized as the key to augmenting family welfare (Nabavi, 2009). Microfinance is an effective tool for improving women’s status and a viable option for reducing poverty. Thus, the overall household welfare is likely to be higher when microfinance is provided to women rather than men (Irobi, 2008). Furthermore, research has shown that the latent capacity of women for entrepreneurship can be significantly enhanced through social capital or social networking (Anis & Mohamed, 2012). The operation of social networks are regarded as important tools for raising the income of rural population, mainly by mobilizing resources for more productive uses and the establishment of relationships with individuals and agencies for the purpose of harnessing market information and acquiring business skills (Birley, 1985; Shane & Cable, 2002; Bhagavatula et al., 2010).

Microfinance is very important in creating access to productive capital for the poor to enable them move out of poverty (Magugui et al., 2014). One of the most commonly employed microfinance factors or dimensions in poverty alleviation programmes by governments and Non-Governmental Organizations (NGOs) is social capital (Anis & Mohamed, 2012; Ahmed & Saif, 2013). Research has shown that social capital provide networks and links (with suppliers, customers, competitors, governments, NGOs, family and friends) that facilitate the identification, collection and distribution of information by promoting the discovery and exploitation of opportunities (Birley, 1985; Bhagavatula et al., 2010). Social capital guarantee to entrepreneurs moral support to enhance start-up chances. This support come in the form of education, skills training, resource provision at lower cost, and opportunity identification and exploitation (Birley, 1985; Uzzi, 1999; Shane & Cable, 2002; Elfring & Hulsink, 2003; Anderson, 2008). However, researchers have continued to report mixed findings on microfinance factors and poverty alleviation (Hulme & Mosley, 1996; Latifee, 2003; Momoh, 2005). These mixed findings suggest that further investigations on the relationship between microfinance factors and poverty alleviation should be conducted to validate the more generalised result.

More so, following the enthronement of democracy and the influx of people into Nasarawa State from different parts of the country, the State has witnessed increase in the number of microfinance banks, NGOs, associations, cooperatives, rotating savings groups, self help groups and savings mobilization groups (or “adashi”) activities involving women entrepreneurs in the major markets in the State. These women basically operate food stuff, beads making, clothe weaving, confectionary, tailoring, plastic wares, cosmetics, firewood, kerosene and restaurant shops or stores. One of the essence of their involvement in these traditional and formal microfinance institutions ranged from pooling savings, social networking together to rendering financial assistance to members or giving micro loan (with little or no interest) to those in need of it. This way, the capital of the groups increases, the profits of the owners of the adashi businesses and microfinance banks increases, while the members and those who received the loans gain economic self reliance, training and empowerment. At the end of the year, for the traditional microfinance institutions, members are paid back their total contributions, while a percentage of the interests and profits gained are set aside for reinvestment. Thus, the aim of this study is summed up in a question: to what extent has social capital or the operation of social networking alleviated poverty through the creation of self-employment, enhancement of education, training, skills and economic empowerment of women entrepreneurs in Nasarawa State.

Social capital
People and group continually interact with other people and groups. The multiple contacts are organized into social networks and these networks of relationship link the individuals directly to other people, and through these others, indirectly to even more people. Ones network, for example, consists of primary ties (like relatives, family and close friends) and secondary ties (like classmates and colleagues). This multiplicity of relationship constitutes a web of relationship among people (Robertson, 1987). Thus, when relationships facilitates resources and have economic benefit it is called social capital (Grootaert, 1998). Social capital is not a name of a tangible good rather it is a collective intelligence of a society that functions
collectively for the solution of the problem and welfare of individuals (Taga, 2013).

According to Grootaert (1998), any individual in a social set up has some social network or relationship with other people. Without social relationships it would be difficult for the individuals to live in a society. Social network is an attribute of social capital, which has the ability to produce resources and opportunities for the benefits of individuals. In spite of having strong network, they cannot solve their problems or draw benefits from those people. Social capital is "capital" only if its effects persist. Taga (2013) further asserted that social capital facilitates, coordinates and helps an individual to achieve better performance. The main sources of social capital are family, community, friends, social groups, ethnicity, firms and organizations.

Social capital is any facet of social relations that serves to enable members of society to work together and accomplish collective goals (Smidt, 2003). To Putman (2000), social capital is the communal benefits of social action. Social capital refers to the sum of potential resources incorporated in the relationships between individuals, communities, networks or societies (Natipiet & Ghoshal, 1998). Social capital is the resource base integrated in the social structure of an individual which is used to facilitate interaction (Nahapiet & Ghoshal, 1998; Adler & Kwon, 2002; Hitt et al., 2002). Social capital is vital for start-ups and growing firms, and women entrepreneurs, especially in developing countries (Olomola, 2002). Social capital (networks) creates opportunity for entrepreneurial activity which leads to performance (Allen et al., 2008). Social capital indicates, therefore, the relational resources that individuals can receive through their social networks (Burt, 1997). The use of social networks can give future promoter a complement or a supplement of resources to better manage his entrepreneurial project (Anis & Mohamed, 2012). Thus, social capital provides opportunity for women entrepreneurs to network so as to access information and resources for business (Tata & Prasad, 2008).

It has now become recognized that financial capital, human capital and physical capital determine only partially the process of economic growth because they overlook the way in which the economic actors are organized themselves to generate growth and development. The missing link therefore is social capital (Grootaert, 1998). The social capital of an entrepreneur can be defined as the added value that can be mobilized through his various social networks (i.e., the links with suppliers, customers, competitors, governments, family and friends). These linkages can be accumulated before the creation of the firm (i.e., during the prior work experience, schooling years and travel time). Social capital networks influence the success of entrepreneurial process through; (1) the provision of networks and links that facilitate the identification, collection and distribution of information by promoting the discovery and exploitation of opportunities (Birley, 1985; Bhagavatula et al., 2010; Anis & Mohamed, 2012); (2) informal ties (family and friends); (3) formal ties (banks and accountants) (Birley, 1985); and through resources mobilization at lower costs (Elfring & Hulsink, 2003).

Social networks are important resources for the entrepreneur as they allow him access to useful information and reduce barriers to entrepreneurship development, such as the lack of knowledge, creativity and skills. Entrepreneurs can also benefit from advantages resulting from social networks (Shane & Cable, 2002; Anderson, 2008) that facilitate the identification of opportunities, and the identification and collection of resources (Uzzi, 1999). The size and strength of social networks are two major variables whose influence on the information flow has been the subject of a great debate. The network size is important because any link with others represents an information channel to exploit. Those with larger networks will benefit from a greater access to information which allows them to benefit from new opportunities and new ideas (Burts, 2004; Obstfeld, 2005). The strength represents the frequency of communication or interaction and the emotional intensity or the relationship proximity (Hansen, 1999; Reagan & McEvily, 2003).

Aside identifying opportunities, social networks play an important role in facilitating access to external financing. Access to finance is generally reported as one of the main obstacles faced by
entrepreneurs during their start-ups and during the firm’s growth and survival. Micro-enterprises are always among those which suffer the most from these funding problems. To resolve their funding problems, some entrepreneurs use their personal networks (banks, credit institutions, friends, suppliers and family) to identify the needed funds for their firm.

Despite the fact that women entrepreneurs, especially in developing countries, lack social connections that are a source of credit and market information (Olomola, 2002), social capital has been found to have positive impact on the performance of women entrepreneurs (Olomola, 2002; Brata, 2004; Mkpad & Arene, 2007; Lawal et al., 2009). Thus, the larger the social networks of entrepreneurs are, the easier access to financing is (Birley, 1985; Elfring & Hulsink, 2003). Uzzi (1997) noted that strong ties between the entrepreneur and the banker have positive effects on the conditions of obtaining micro-credit. Jenssen and Greve (2002) further noted that interpersonal relationships between entrepreneurs and bankers facilitate access to financing. On the other hand, Bhagavatula et al. (2010) suggested that, in terms of resource dependence, an entrepreneur will succeed only when he has access to funding that he needs. However, concerning access to available funding, Birley (1985) argued that informal ties (family and friends) play a more important role than formal ties (banks and accountants).

Poverty alleviation

Poverty has a multi-dimensional nature that consist of vulnerability, powerlessness and social exclusion in addition to the matter of not having enough on the tables to eat (Chowdhury, 2001). The World Bank defined poverty as the state of living on less than $2 a day (World Bank Development Report, 2000/2001). However, the incidence of poverty in the third world is higher among women than among men (Nkpoyen & Bassey, 2012). Thus, women have consistently lost out in the development process in these countries.

Poverty alleviation is all about improving human wellbeing (the life people live, what they can do or cannot do), in particular that of the poor people (Kakwani & Pernia, 2000). To Shil (2009), poverty alleviation is the act of reducing the scourges of poverty of an individual or community. Thus, in a developing country like Nigeria, where majority of the population are women who reside in rural areas, rural development becomes imperative for the economic development of that nation, and for rural development, poverty alleviation needs to be the focus of all development programs (Arora & Meenu, 2010; Ifelunini & Wosowei, 2012; Appah et al., 2012).

In the past, several poverty alleviation policies and programmes have been implemented by different administrations in Nigeria. These policies and programmes include: Agricultural Development Projects (ADPs); Operation Feed the Nation; Agricultural Credit Guarantee Scheme Funds; Directorate for Food, Roads and Rural Infrastructures (DFRRI); National Directorate of Employment (NDE); Mass Mobilization for Social Justice and Economic Reconstruction (MAMSER); Better Life for Rural Women (BLRW); Peoples Bank (PB); Community Bank (CB); Rural Health Schemes (RHS); Expanded Programme on Immunization (EPI); Universal Basic Education (UBE); Mass Adult Literacy Programmes; Primary Health Care Programme; Poverty Alleviation Programme (PAP); National Poverty Eradication Programme (NAPEP); Mandatory Attachment Programme (MAP); Youth Empowerment Scheme (YES); and Capacity Acquisition Programme (CAP). The ever increasing number of the poor in Nigeria and the low levels of infrastructural and human development in the rural areas attest to the ineffectiveness of these policies and programmes.

However, if Nigeria wants to reach its full potential in terms of economic and social developments, it cannot afford to ignore the importance of its indigenous entrepreneurs (especially indigenous women entrepreneurs) and the contributions that they make to the country’s economy. Entrepreneurship remains the gateway to sustainable wealth creation in Nigeria (Ogunde & et al., 2005; Ariyo, 2008; Nkpoyen & Bassey, 2012). Also, if Nigeria desires to move out of the disturbing high level of unemployment and
ravaging level of poverty, adequate attention must be given to the growth of self-employment and better still women entrepreneurship (Matanmi & Awodun, 2005; Nkpoyen & Bassey, 2012).

**Self-employment**

Rural poverty cannot be meaningfully addressed except provisions are made to promote self-employment (Schwettmann, 1997). More so, women owned enterprises have their fair share of challenges and constraints that need to be addressed and specific needs that have to be identified to help them perform at par, if not better than their male counterparts (Yogendrarajah, 2011). However, entrepreneurship is known to come with employment and economic autonomy. In many parts of the world, self-employment and business ownership have been employed as an effective response to economic and social exclusion (Blackburn & Ram, 2006). Today, women entrepreneurship is a growing phenomenon and has had a significant economic impact in all economies. Also, self-employment and women in entrepreneurship are known to be growing in less developed economies, as a means for women to survive and often times to help support their families (Gordon, 2000, as cited in Yogendrarajah, 2011).

Self-employment is defined as persons operating individual enterprises perhaps employing others or perhaps not (the latter being called “own account workers”), plus persons operating or working in household enterprises. The self-employed may be in urban or rural area. They may be in agriculture or outside of agriculture (Fields, 2013). Self-employment is enhanced by social capital. Social capital guarantees to the entrepreneur the needed moral support. It offers to the entrepreneur the supposed models through education, training and skills acquisition to increase start-up and consolidation chances (Adler & Kwon, 2002).

**Education, training and skills acquisition**

Education is the process of acquiring knowledge and understanding. Every society therefore, needs some form of education to be relevant, function and fulfil its social obligation (Akani, 2012). Education, especially basic (primary and lower secondary) education, helps reduce poverty by increasing the productivity of the poor, by reducing fertility and improving health, and by equipping people with the skills they need to participate fully in the economy and society (World Bank, 1993; Glyfason & Zoega, 2001). Education is also considered to positively contribute to the attainment of knowledge on how best to keep yourself and your family healthy and then being able to use all labour potential and energy for achieving high level of productivity (Mtey & Sulie, 2013). According to Julius Nyerere, former president of the United Republic of Tanzania, “education is not a way to escape poverty- it is a way of fighting it” (UNESCO, 2001). It is through education that individuals realize their potential to contribute to production, wealth creation and execution of various roles that makes for national development (UNESCO, 2001; UNICEF, 2002).

Formal education can give access to certain social networks or serve as a positive signal for new entrepreneurs in their evaluation by resources suppliers (For example, venture capital). It can be an important source of skills, ability to solve problems, motivation, knowledge and confidence (Cooper et al., 1994; Davidsson, 1995; Honig, 1996; Davidsson & Honig, 2003). Thus, highly educated entrepreneurs may be better to cope with complex problems. They can also take advantage of their knowledge and their social networks generated by the educational system to acquire the necessary resources (e.g. micro-credit) and identify and exploit opportunities (Shane, 2000; Arenius & Declerencq, 2005). The well educated entrepreneurs are likely to identify and/or achieve the returns from these opportunities (Parker & Van Praag, 2004; Van der Sluis et al., 2004). Extant literature (Fields, 1980; Talik, 1986, 1989 & 1994; Mtey, 2006) has further shown that education and poverty are inversely related, that is, the higher the level of education of the population, the lower the proportion of poor people in the total population. This is because education impacts knowledge and skills that are associated with higher wages or earnings. International organizations such as the United Nation, UNESCO, the World Bank and the Third World Countries are becoming increasingly aware of the importance of women in national development, and the fact that education can contribute to their playing a much more meaningful role in development (Kelly, 1987).
Aside formal education, professional training or capacity building (training) programmes enable the students to learn the business (job) and to develop companies-specific skills, specialized lessons and training that enable individuals to develop critical thinking, communication, team networks and other skills that are necessary for him as an entrepreneur (Kim et al., 2006). Most women in developing countries need to build up their capacity. Capacity building (training) refers to the activities that improve one’s ability to realize his/her goals or to do his/her job more effectively (Philbin, 1996; Linnell, 2003). Education is related to training and women entrepreneurs in high income countries are better educated than those in low income countries (Ibru, 2009). Women entrepreneurs, especially in developing countries lack training, social capital and information on markets (Gakure, 2003) and entrepreneurial process is a vital source of developing human capital as well as playing a crucial role in providing learning opportunity for individuals to improve their skills, attitude and abilities (Cheston & Kuhn, 2002; Shane, 2003; Kenya Women Finance Trust, 2003; Brana, 2008).

Training, according to Mullins (2010) is the process of systematically acquiring job related knowledge, skills and attitude in order to perform with effectiveness and efficiency specific tasks in an organization. Mullin further stated that the acquisition of knowledge and skills during training is not desired for its own sake in industrial and commercial enterprises. It is utility that predisposes an organization to invest financial and material resources in training. More so, training has been found to have positive effect on entrepreneurial activity in Nigeria and Germany (Stohmeyer, 2007; Ibru, 2009). Training enhances an entrepreneur’s exposure to micro-credit, the amount of micro-credit, and the size and strength of social capital (social network) (Zaman, 2000; Ardivivi et al., 2003; Arenuis & De Clercq, 2005; Ahmed & Saif, 2013).

Researchers support the fact that majority of microfinance institutions’ clients do not have entrepreneurial skills, and cannot make good use of microfinance (Karnani, 2007), hence they need skills training. Paid employment provides prior business experience that is vital for enterprises success, yet women entrepreneurs mostly in developing countries lack this (Brana, 2008). This further strengthens the need for skills training (or skills acquisition) for women entrepreneurs (Peter, 2001; Kuzilwa, 2005; Tazul, 2007; Harrison & Mason, 2007; Ibru, 2009). Skills training is necessary to provide the needed entrepreneurial skills for small business start-up (Robinson & Malach, 2004; Cunha, 2007; Jill et al., 2007; Ying, 2008). The skills required by entrepreneurs are technical skills, business management skills and personal entrepreneurial skills. Technical skills involve such things as writing, listened, oral presentation, organizing, coaching, being a team player, and technical know-how. Business management skills include those areas involved in starting, developing and managing an enterprise. The personal entrepreneurial skills differentiate an entrepreneur from a manager. Skills included in this classification are inner control (discipline), risk-taking, being innovative, being change-oriented, being persistent, and being a visionary leader among others. Entrepreneurs need these skills because they enhance economic empowerment (Osuagwu, 2006).

**Economic empowerment**

Empowerment is a process through which individuals gain control over matters that concern them most. It is also, a multi-dimensional social process that helps people gain control over their own lives (Page & Czuba, 1999, as cited in Nabavi, 2009). Economic empowerment refers to economic security of oneself (Irobi, 2008). Women empowerment is women’s ability to make strategic life choices where this ability had been previously denied (Kabeer, 1999). Ere (2001, as cited in Nkpoyn & Bassey, 2012) stressed that the promotion of local cooperative societies and empowerment for poverty reduction in rural areas is very important. Ere argued that local cooperative societies could be regarded as voluntary organizations of persons with a common interest, formed and operated along democratic lines for the purpose of supplying services at minimum cost to its members who contribute both capital and business. Girigiri (2000) reported that a significant association exists between promotion of local cooperative societies and empowerment for poverty reduction in rural areas. Cooperatives help members out of their economic predicaments. Okaba (2005) noted that local cooperative societies
have tremendously assisted the rural dwellers empowerment for poverty reduction as indicated by the improved living standard of rural dwellers. Okaba stated that cooperatives in recent times have become one of the most efficient vehicles for the effective mobilization of rural productive resources and accelerated rural transformation. Existing literature indicates that social capital (networks) empowers entrepreneurs with finance and experienced workforce (Hellman & Puri, 2002).

According to Taga (2013), one effective way of reducing poverty is to make members of the society productive by giving them economic empowerment. The empowerment of individuals creates a sense of responsibility and promotes participatory development in the society. Empowerment of people and their participation in the society can be achieved by connecting the individuals with different social institutions (e.g., education, economic, political). This goal can be achieved with the development and promotion of social capital, that is, activation of individual’s capacities for empowerment. Empowerment of an individual may further activate ones hidden capacities and thereby making him/her a productive member of the society (Taga, 2013).

The effect of social capital on self-employment, education, training, skills, acquisition and economic empowerment

Social capital has been widely measured and found to have positive impact on the performance of women enterprises in developing countries (Olomola, 2002; Brata, 2004; Mkpado & Arene, 2007; Lawal et al., 2009). According to Shane (2003), the exploitation of entrepreneurial opportunity among others depends on social network (social capital). More so, education and training can give access to social networks or service as a positive signal for new entrepreneurs in their evaluation by resource suppliers. It can be an important source of acquiring skills, ability to solve problems, empowerment, motivation, knowledge and confidence (Cooper et al., 1994; Davidsson & Honig, 2003). Kithae et al. (2013) found among other things that most women form social networks (or groups) so as to enable them save and obtain micro-credit.

Narayan (1997) conducted a study and found that the level of social capital has effect on income level. The result of the study conducted by Herbert (1997) revealed that improvement and expansion in the social capital of poor Australians increased their ability to work and their wellbeing. Similarly, Townsend (1994, as cited in Taga, 2013) found that social capital made a remarkable contribution to the wellbeing and welfare of households. The result of the study conducted by Taga (2013) showed that family, friends, relations and neighbours were the major sources of social capital. The results further revealed that social capital exposed the respondents to various options and resources which enabled them to improve their living standard.

Similarly, Ogundele et al. (2012) found that the relationship between technical skill and youth empowerment is significant, while personal entrepreneurial skill is significantly related to social welfare services. Furthermore, Anis and Mohamed (2012) found that the higher the educational level, prior managerial experience and prior experience, the bigger the number of opportunities identified by entrepreneurs while, the higher the educational level and managerial experience, the easier the access to external financing. The result of the study conducted by Gholam and Jalilvand (2012) showed that skills training, motivation and fostering attributes have promoted entrepreneurial culture in the society. Similarly, Coleman (1988, as cited in Taga, 2013) found that social capital has positive impact on the quality of education one receives.

Methodology

The survey research design was adopted for this study. The Yamane (1967) and the Bourley (1964, as cited in Nzelibe & Ilogu, 2001) sample size determination methods, and systematic sampling technique were employed to select a sample of 343 from a population of 2,396 registered women entrepreneurs with the respective market associations in each of the major markets in the 13 Local Government Areas (LGAs) in Nasarawa State. These women entrepreneurs were selected based on the criteria that they started and/or expanded their businesses with the help of their social network, the business is registered with the respective market associations and that they are
actively involved in the activities of their social network. Data for the study were collected by research assistants using a questionnaire. The respondents were asked to indicate their degree of agreement or disagreement based on a 4-point Likert scale that ranged from strongly agree (4) to strongly disagree (1). The validity and reliability of the questionnaire was confirmed using Kaiser-Meyer-Olkin (KMO) Bartlett’s and Cronbach alpha tests. The generated data were analysed using regression statistical method.

Results

Test of hypotheses

Table 1: Regression result on the effect of social capital on self-employment

<table>
<thead>
<tr>
<th>Model</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>9.541</td>
<td>.585</td>
<td>9.136</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>Social Capital</td>
<td>.562</td>
<td>.007</td>
<td>.613</td>
<td>6.483</td>
<td>.000</td>
</tr>
</tbody>
</table>

Dependent Variable: Self-Employment
Note: R = .913, R² = .833, Adj. R² = .821, Std. Error = .405
Source: Field Survey, 2014/SPSS (Version 21.0 for Windows) Output

H₀₁: Social capital has no significant effect on the self-employment of women entrepreneurs

The regression result on the effect of social capital on self-employment which is shown in Table 1 revealed that a strong relationship (R = .913) exist between social capital and self-employment. The adjusted R² square showed that social capital explained 82.1% (Adj. R² = .821) of the total variation in self-employment. Furthermore, Table 1 shows that the relationship between social capital and self-employment is significant (β = .613, t = 6.483, P<.05). Thus, we reject H₀₁ and conclude that social capital has significant effect on the self-employment of women entrepreneurs.

Table 2: Regression result on the relationship between social capital, and education, training and skills acquisition

<table>
<thead>
<tr>
<th>Model</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>8.117</td>
<td>.488</td>
<td>8.251</td>
<td>.012</td>
<td></td>
</tr>
<tr>
<td>Social capital</td>
<td>.616</td>
<td>.003</td>
<td>.511</td>
<td>5.137</td>
<td>.004</td>
</tr>
</tbody>
</table>

Dependent Variable: Education, Training and Skills Acquisition
Note: R = .889, R² = .790, Adj. R² = .758, Std. Error = .462
Source: Field Survey, 2014/SPSS (Version 21.0 for Windows) Output

H₀₂: Social capital is not positively related to the education, training and skills acquisition of women entrepreneurs

Table 2 shows that there is a strong relationship between social capital, and education, training and skills acquisition (R = .889). The adjusted R² square showed that social capital explained 75.8% (Adj. R² = .758) of the total variation in education, training and skills acquisition. Also, Table 2 showed that the relationship between social capital, and education, training and skills acquisition is significant (β = .511, t = 5.137, P<.05). Thus, we reject H₀₂ and conclude that social capital is positively related to the education, training and skills acquisition of women entrepreneurs.

Table 3: Regression result on the relationship between social capital and economic empowerment

<table>
<thead>
<tr>
<th>Model</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>7.466</td>
<td>.484</td>
<td>7.169</td>
<td>.012</td>
<td></td>
</tr>
<tr>
<td>Social capital</td>
<td>.576</td>
<td>.003</td>
<td>.571</td>
<td>5.677</td>
<td>.000</td>
</tr>
</tbody>
</table>

Dependent Variable: Economic Empowerment
Note: R = .872, R² = .763, Adj. R² = .750, Std. Error = .456
Source: Field Survey, 2014/SPSS (Version 21.0 for Windows) Output

H₀₃: Social capital has no significant positive effect on the economic empowerment of women entrepreneurs

Table 3 shows that a strong relationship exist between social capital and economic empowerment.
empowerment (R = .884). The adjusted R square revealed that social capital explained 78.8% (Adj. R² = .788) of the total variation in economic empowerment. Also, Table 3 showed that the relationship between social capital and economic empowerment is significant (β = .537, t = 5.682, P<.05). Therefore we reject H₀₃ and conclude that social capital has significant positive effect on the economic empowerment of women entrepreneurs.

Table 3: Regression result on the effect of social capital on economic empowerment

<table>
<thead>
<tr>
<th>Model</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>11.064</td>
<td>.633</td>
<td></td>
<td>8.439</td>
<td>.013</td>
</tr>
<tr>
<td>Social capital</td>
<td>.936</td>
<td>.002</td>
<td>.537</td>
<td>5.682</td>
<td>.022</td>
</tr>
</tbody>
</table>

Dependent Variable: Economic Empowerment
Note: R = .884, R² = .781, Adj. R² = .788, Std. Error = .446
Source: Field Survey, 2014/SPSS (Version 21.0 for Windows) Output

Discussion of findings
Despite the fact that women entrepreneurs, especially in developing countries, lack social connections that are a source of credit and market information (Olomola, 2002), social capital has been found to have positive impact on the performance of women entrepreneurs (Olomola, 2002; Brata, 2004; Mkpad & Arene, 2007; Lawal et al., 2009). Social capital provides networks and links (with suppliers, customers, competitors, governments, NGOs, family members and friends) that facilitate the identification, collection and distribution of information by promoting the discovery and exploitation of opportunities. Social networks are important resources for the entrepreneur as they allow him or her access to useful information and reduce barriers to entrepreneurship development such as the lack of knowledge, creativity and skills. Social networks also facilitate the identification of opportunities, and the identification and collection of resources (Uzzi, 1999; Shane & Cable, 2002; Anderson, 2008). Entrepreneurs with larger networks will benefit from a greater access to information which allows them to benefit from new opportunities and new ideas (Burts, 2004; Obstfeld, 2005), and greater access to finance for business start-up, growth and survival (Anis & Mohamed, 2012). Thus, the larger the social networks of entrepreneurs are, the easier access to financing is (Birley, 1985; Hulsink & Elfring, 2003). Education can give access to certain social networks or service as a positive signal for new entrepreneurs in their evaluation by resource suppliers (for example, venture capital). It can be an important source of technical skills, business management skills, personal entrepreneurial skills, ability to solve problems, motivation, knowledge and confidence (Cooper et al., 1994; Davidson & Honig, 2003; Osuagwu, 2006). Aside formal education, professional training programmes, enable the students or trainees to learn the business or job and to develop companies – specific skills. Specialized lessons and training enable individuals to develop a critical thinking, communication, teamwork and other skills that are necessary for him as an entrepreneur (Kim et al., 2006).

Social capital (networks) creates opportunity for entrepreneurial activity which leads to economic empowerment and performance (Allen et al., 2008; Page & Czuba, 1999, as cited in Nabavi, 2009). Social capital indicates the relational resources that individuals can receive through their social networks of family members, friends, banks and accountants (Birley,1985; Burt, 1987; Elfring & Hulsinks, 2003). Social capital indicates resource mobilization at lower costs (Elfring & Hulsink, 2003). Jenssen and Greve (2002) further noted that interpersonal relationships between entrepreneurs and bankers facilitate access to financing. Thus, social capital (networks) empowers entrepreneurs with finance and experienced workforce (Hellman & Puri, 2002).

Conclusion
The result of this study has proved that social capital is significantly related to self-employment,
education, training, skills acquisition, and economic empowerment among women entrepreneurs.

**Recommendations**

Based on the findings and conclusion of this study, the researchers recommended the creation of more awareness on the relevance of social capital to women entrepreneurs. Also, social networking and social capital acquisition among women entrepreneurs should be encouraged through women entrepreneurs’ associations and cooperative societies.

**References**


