

Nature of Leadership Practices of Nigerian Female Entrepreneurs

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Abstract

The study empirically explores the diverse types of leadership styles adopted by female entrepreneurs in Nigeria to see if there are any commonalities or differences in leadership styles adopted. The study seeks to ascertain whether the leadership style adopted has an influence on firm performance, using three leadership dimensions. Data was obtained from face-to-face questionnaire survey and semi-structured interviews. A total of 138 female entrepreneurs engaged in diverse sectors participated in the study. The results reveal differences in leadership practices, female entrepreneurs with formal educational qualifications were seen to adopt more transformational leadership. The findings indicate that leadership practices adopted has a significant influence on firm growth. The study has several implications as it helps fill gaps in knowledge in relation to female leadership practices in Nigeria. It is hoped that the findings derived from this study will instigate the development of a theoretical framework on leadership in Nigeria.

Keywords: Small and Medium Enterprises, Female Entrepreneurs, Nigeria, Leadership practices, Gender

1. Introduction

Women are now becoming a growing force in various sectors within their economies, reports around the world show women's compelling contribution to business and economic activities in their countries (Welter *et al.*, 2006; Carter *et al.*, 2007). In addition, many women have taken up business ownership and are exploiting entrepreneurial opportunities as a means of generating an income and sidestepping the harsh reality and discriminatory practices inherent in the corporate sphere. This is because entrepreneurship provides women with unique solutions in overcoming poverty and balancing work and family commitments (Woldie and Adersua, 2004; Kirk and Belovics, 2006). Women's entrepreneurial activities, not only empowers them as economic agents but also enables them to contribute more to the overall development of their nations. In transition environments, women's contribution is said to span across various economic spheres, extending to the wider process of social transformation (Welter *et al.*, 2006: 3). For example a UNIDO report in 2001 stresses the wider social impact of female entrepreneurial activity not only to the women themselves but to the wider environment in which they operate (UNIDO, 2001). Women are also reported to be in charge of majority of activities in Africa. Women own and operate around one-third of all businesses in the formal sector, and they represent the majority of businesses in the informal sector (Bardasi *et al.*, 2007; Aderemi *et al.*, 2008).

In spite of such significant contributions and major changes in women's roles in the economy in recent times, a traditional attitude still prevails towards women in many African countries. The reality in many countries on the African continent is that women are regarded as second class citizens and their presence and contribution in various spheres of economic activities undervalued and overlooked (Woldie and Adersua, 2004). In Nigeria, the promotion of female entrepreneurs in Nigeria is disappointing, and their involvement and role within the wider entrepreneurial setting is constantly undermined. In addition, the significant contribution of women in sustaining socio-economic wellbeing of their families has been neglected and taken for granted by the Nigerian society as a whole. This has resulted not only in gross underestimation of women's contribution to the economy, but also in the under-utilisation of women's tremendous potentials in the Nigerian business environment. Although women make up 49% of the population, they have remained in the bottom 30% as the poorest citizens, and while the Nigerian constitution recognises the principle of equal pay for equal work without discrimination on account of sex and seeks to eliminate discrimination on any ground in employment matters, Nigerian women consistently encounter informal discrimination in employment, this stems from traditional attitudes and perspectives about how women should be regarded by a male-dominated society (Woldie and Adersua, 2004).

Moreover the Labour Act contains some provisions which although designed to protect women prohibit them from engaging in certain areas of employment, such as working at night or underground (Woldie and Adersua, 2004).

Despite many shortcomings and constraints, Nigerian women have been able to create their own enterprises, even in an environment where economic decisions would normally be taken by the male head of the households. In a developing country such as Nigeria, the concern for increasing women's economic participation can be seen within the wider general concern to alleviate the socio-economic conditions of the poor households, especially those in the rural sector. The vulnerable position of women in Nigeria stems from the fact that they face a variety of obstacles and they consistently struggle and remain dormant (Nichter and Goldmark, 2009). In addition to unique gender-significant constraints, women also have additional double shifts as wives, mothers and business women. In many ways the dual burden stems from patriarchal traditions still followed in many countries around the world (Woldie and Adersua, 2004). The traditional female roles are still highly regarded in many parts of Nigeria as such career women often encounter conflicts since the qualities that make them acceptable in traditional terms can undermine their self confidence and their ability to assert themselves, to assume responsibility and to succeed in a career in business. Business women who wish to succeed in business must expect to a certain degree to lose honour and respect, because they sometimes will be looked at as neglecting family and being too business minded (Woldie and Adersua, 2004).

As a result of unrelenting poverty and deteriorating economic conditions, a lot of women have been forced to work outside the normal status and have therefore ventured into varied economic activities, while at the same time continuing to perform their traditional household duties (Ijff, 1990). This situation has social as well as economic implications. Ijff, (1990) in his research studies concluded that these women worked long hours daily, carrying out household chores, such as cooking, cleaning, bringing up children, as well as engaging in their income generating or income substituting activities. The combination of two jobs, one at work and one at home, is difficult for a woman in any country, but its is doubly taxing for a woman in a developing country let alone in Africa, where poverty and lack of infrastructure can make the most basic tasks more time consuming and difficult. For women, the process of starting and operating a new enterprise can be difficult because they often lack the skills, education, and support system that can expedite their business pursuits. According to Mba (1982), it is popular knowledge that women's involvement in socio-political matters especially in decision making and leadership roles has been limited or even negligible. Women in Nigeria generally have less access to formal education; consequently they have low participation in the formal sector, for that reason many women take up self-employment. In addition, women have limited access to other critical resources such as land, technology and credit facilities. Hence even within the informal sector, they are confined to micro-enterprises. These include trading and small-scale manufacturing enterprises (Woldie and Adersua, 2004). Although the representation of female entrepreneurs in the informal sector is higher than that of male entrepreneurs in Nigeria (Berger and Byvinie, 1989), their participation is however underestimated and overlooked.

Female entrepreneurs in general, face a host of problems and many of the problems reported for American women managers are common to those faced by Nigerian businesswomen (Parikh, 1987). In addition to the general problems face by women worldwide, Nigerian female entrepreneurs face problems attributable to socio-cultural factors. Cultural and social traditions play a large role in determining who becomes an entrepreneur; for example, social conditions in some parts inhibit women from starting their own businesses. According to African tribal tradition, women are regarded as subordinate to men regardless of their age or educational status (Obbe, 1980). In the Nigerian culture traditional female roles are still highly regarded and such qualities as subservience, supportiveness, and submissiveness are met with approval (Woldie and Adersua, 2004). Career women therefore often face a conflict since the qualities that make them "acceptable" in traditional terms can undermine their self confidence and their ability to assert themselves, to assume responsibility and to succeed in a career.

2. Leadership Styles

There is a lack of a clear and comprehensible depiction of what constitutes a leader and an effective means of differentiating a successful leader in management literature (Stogdill, 1974; Bass, 1991). There are almost as many diverse definitions of leadership as there are researchers who have attempted to define the concept (Kanji & Moura, 2001; Northouse, 2007). Burns (1978) argues that leadership is a mobilization process by individuals with certain motives, values and access to resources in a context of competition and conflict in the pursuit of goals.

Grint (2000) depicts a leader as those in the forefront who pull followers after them, sharing the way rather than showing the way. As such leadership should involve influencing others through the personality or actions of the individual leader. In recent years the leadership literature is becoming more vibrant and holistic by distinguishing between three main types of leadership styles namely, transformational, transactional and Laissez Faire leadership (Burns, 1978; Bass, 1985; Bass and Avolio, 1994; Bass *et al.*, 1996; Lowe *et al.*, 1996; Powell & Graves, 2003; Bush, 2003). These dimensions of leadership also serve as the foundation on which the female and male leadership styles are distinguished.

2.1 Transformational Leadership Style

Transformational leadership was first devised as early as 1973 by Downton in his study of Rebel Leadership (Downton, 1973). This concept was revisited and extended by MacGregor Burns in his work titled 'Leadership in 1978'. Burns identified two types of leadership namely transformational and transactional. Transformational leadership is similar to democratic or charismatic leadership (House, 1976; Cole, 2004). It involves heightened motivational levels of both the leader and follow through the leader's active engagement and connection with their followers (Northouse, 2007). According to various authors this leadership style involves mobilizing subordinates to want to struggle for mutual aspirations (Bass, 1985; Bass and Avolio, 1994; and Kouzes & Posner, 2002). Consequently, transformational leaders motivate subordinates to surpass individual self-interests for the good of the organization by setting high performance standards and putting mechanisms in place for subordinates to achieve those standards (Powell & Graves, 2003). The transformational leader is said to focus on the mission of the organization and strategies for achieving them and uses vision to create symbols for subordinate's thereby instigating and achieving change through communication and expressiveness (Fairhurst, 2001).

2.2 Transactional Leadership Style

Transactional leadership, which is often referred to as authoritative leadership involves a preoccupation with power and position and a need to 'get the job done'. This leadership style focuses on the exchange of reward given by the leader to the follower for the job function (Adesua-Lincoln, 2011). This leadership style involves a work for reward attitude, with an emphasis on good performance and productivity (Cruz *et al.*, 1999). Transactional leaders focus on clarifying the responsibilities of subordinates and responding to how well subordinates execute those responsibilities (Powell & Graves, 2003). Transformational leaders may be transactional leaders when necessary to attain set objectives (Powell & Graves, 2003). There is some support in academic literature that transformational leadership is the most effective, with close association to enhanced job performance and positive mind-set in followers, as followers are encouraged to question their own ways of doing things (Lowe *et al.*, 1996; Ehrhart & Klein, 2001).

2.3 Laissez Faire Leadership Style

Laissez Faire leadership style entails the leader wholly evading responsibility (Bass and Avolio, 1994; Powell & Graves, 2003). Such leaders refrain from giving direction or making decisions, and are passive in the day-to-day running of the business and do not involve themselves in their employee's development. Further Northouse (2007) describes the Laissez Faire leader as one who makes only the modest effort in satisfying the needs of their followers and is often seen to delay in decision making and fail to engage in feedback.

3. Gender-Differences and Effectiveness of Leadership Styles

In recent times academic literature has witnessed an increase in studies focusing on gender-based differences in leadership practices (Bass *et al.*, 1996; Butterfield & Grinnell, 1999; Casimir, 2001; Book, 2000; Northouse, 2007). A range of studies posit that there are more commonalities than differences between male and female leadership styles, while others confirm that female entrepreneurs have unique characteristics which differ from those possessed by their male counterparts and female entrepreneurs are said to display more transformational leadership traits more often than male entrepreneurs (Eagly and Johnson, 1990; Helgesen, 1990; Rosener, 1995; Bass and Avolio, 1994; Bass *et al.*, 1996; Maher, 1997; Buttner, 2001; Eagley *et al.*, 2003; Trinidad and Normore, 2005). Apparent in the literature is a bone of contention among researchers as to whether any such differences exist, with some researchers advocating for gender differences, while others argue against such ideology (Bass, 1991; Bass & Avolio, 1997; Thompson, 2000).

Researchers such as Helgesen (1990), Cantor & Bernay (1992) and Book (2000) posit that certain feminine qualities such as interpersonal dexterity, malleability to conflict resolution, empathic nature and their heightened communication skills put female entrepreneurs in an advantageous position. For example a study carried out by Park (1996) confirms a relationship between gender and leadership practices of the owner/manager. Studies which advocate for such differences state that women possess transformational leadership style more often than their male counterparts (Rosener, 1995; Bass *et al.*, 1996; Maher, 1997; Eagley *et al.*, 2003; Eagly and Carli, 2003).

In addition, previous studies on leadership have produced findings consistent with the belief that diverse leadership styles have an impact on various aspects of the decision-making process such as flexibility, accountability, values, remuneration and on organizational climate (Goleman, 2000). A fundamental fact is that leadership style influence the behaviour of employees in the organization (Shamir *et al.*, 1993). There is also a strong correlation in academic literature between firm growth and the entrepreneur (O'Farrell & Hitchens, 1988; Wiklund, 1998). Accordingly, Morrison *et al.*, (2003) states that there is a common dominant thread woven through the various characteristics associated with firm growth and the human factor of the entrepreneur. A common thread in academic literature is that leadership style is intricate for firm growth (Dunford, 1992). This is not surprising as the owner/manager is the single most important element who carries responsibility for running and directing the business and ensuring day-to-day functionality is achieved (Woldie and Adesua, 2010).

In so doing, the owner/manager is not alone, he/she is charged with ensuring that those employed in the business are delegated efficiently and the overall vision of the business is achieved. This study therefore proceeds' from the premise that leadership style of the female entrepreneurs in Nigeria is a factor influencing firm performance. This study empirically explores the diverse types of leadership styles adopted by female entrepreneurs in Nigeria to determine if there are any commonalities or differences in leadership styles adopted. In addition, the study seeks to ascertain whether the leadership style adopted has an influence on firm performance. Three leadership dimensions are used to represent female entrepreneur leadership styles namely; transformational, transactional and laissez-faire. The rationale for this study stems from the fact that very little is known about leadership practices of entrepreneurs in Nigeria. Furthermore research generalizing empirical findings from other countries within the Nigerian entrepreneurship context is lacking, the current study aims to redress this deficiency in literature.

4. Methodology of the Study

The aim of this research is to explore leadership practices adopted by female entrepreneurs in Nigeria. In addition, the study seeks to assess the effectiveness of such practices on firm performance based on data collected from female entrepreneurs in Lagos, Nigeria. Convenience sampling was used to identify the female entrepreneurs who participated in the study, as a result of a lack of records from which meaningful random sampling could be drawn. In addition, convenient sampling was utilized as a result of the exploratory nature of the research and a lack of record and data which plagues Nigeria in particular. In order to gather data that is truly representative of the Nigerian female entrepreneurs, the decision was made to draw the sample from Lagos State. The sample target was set in Lagos state since Lagos is the commercial nerve centre of the country and also being the most populated and diverse state in the country. This study employs a mixed method approach to data collection using both the qualitative and quantitative techniques. Data was obtained from face-to-face questionnaire survey and semi-structured interviews. The survey method was used owing to the fact that most studies on female entrepreneurs favor and have used widely the survey method (Brush, 1992).

This is as a result of the fact that surveys are deemed apt for researchers who investigate opinion, attitude, activities and characteristics of people and are good research methods as they yield information about the past and present and offer the best means of obtaining standardised stimuli (Tuckman, 1972). In total 138 self-administered questionnaires were carried out with the female entrepreneurs. The results obtained from the questionnaire were analyzed using SPSS. Leadership variables were cross-tabulated with firm growth and Cramer's V statistical test was carried out in order to determine if any associations exist. Firm growth was measured using the perceptions of the entrepreneurs. The study sample consisted of a variety of women, in terms of age, academic accomplishments, business experience and marital status.

Semi-structured interviews were also conducted with the female entrepreneurs who participated in the questionnaire survey.

This provided the researcher with ample opportunity to follow up ideas, probe responses and investigate motives and feelings on some of the questions listed on the questionnaire (Bell, 1993). In total 15 semi-structured interviews were conducted. This sample size is of an acceptable limit for an exploratory study of this kind (Burns, 2000; Jamali, 2009). The rationale for adopting semi-structured interviews rests on the premise that the study being exploratory in nature seeks to provide a narrative of real life occurrences and events from the respondents own perspective (Burns 2000). In addition, the semi structured interview is a good technique in relation to questions dealing with feelings and attitudes and any situation in which there is uncertainty about the range of possible answers obtained. The information obtained from the interviews was tape recorded and transcribed in order to make it more presentable.

4.1 Research Questions

In order to achieve the overall aim of the study, we seek to provide answers to the following questions:

- (1) What are the leadership styles adopted by female entrepreneurs in Nigeria?
- (2) Are leadership styles adopted effective in enhancing firm performance?
- (3) What factors help in promoting leadership practices of Nigerian female entrepreneurs?

5. Result and Discussion

The analysis of result in this section is divided into two parts. Part one seeks to elucidate findings in relation leadership characteristics of the female entrepreneurs and explore any differences in the leadership styles identified. Part two explores the relationship between leadership styles and firm growth. In order to gain deeper insight into the rarely articulated perceptions of female entrepreneurship in Nigeria, all the respondents to both the questionnaire and semi-structured interviews were female. The result shows that majority of the female entrepreneurs in the study were married with children, and are likely to found businesses in the mid section of their working lives, a high percentage of the female entrepreneurs were between the age of 31-50. Finding in relation to education of the female entrepreneur reveal that 63.4 percent had obtained diplomas, degrees and postgraduate qualifications. This finding could imply the existence of “glass ceiling” and women’s active engagement in entrepreneurial activities as a response to the impenetrable corporate careers and systematic exclusion and discriminatory practices in both the economic and corporate spheres (Mattis, 2000). It also shows an increase in professional know-how and business links of women, which could result in innovative practices, enhanced self-confidence and leadership and managerial capabilities (Carter et al., 2001; Adesua-Lincoln, 2010).

Majority of the firms had sole proprietorship legal status, with a high concentration of the female entrepreneurs in the Services Sector and wholesale/retail trade. Many of the female entrepreneurs owned a range of businesses and were engaged in diverse tradition and non-traditional activities ranging from hairdressing and beauty salon, restaurant and catering, high-end fashion and artifact merchandising to publishing information technology and consultancy. This finding is in line with previous research which suggests a high dominance of female entrepreneurs in the service sector (Hisrich and Brush, 1984; Brush, 1990; Spilling and Berg, 2000; Carter *et al.*, 2001; Coleman 2002; Still and Walker, 2006; Adesua-Lincoln, 2011). For example a report by Aldrich *et al.*, (1996) suggests that women are more likely to start their businesses in the service sector due to restricted access to resources and low capital requirement especially during start-up and a lack of contact with financial network. Majority of the businesses had been in operation for over 5 years with many of them employing more than 10 employees, refuting the argument that once established firms run by women tend to remain small (Parker *et al.*, 1995; Coleman, 2007).

5.1 Leadership Styles of Female Entrepreneurs In Nigeria

The findings show many of the female entrepreneurs displayed transformational or democratic leadership practices and were seen to share the mission and vision of the firm with their employees (65.5 percent). An explanation for why female entrepreneurs are more open with their employees could be as a result of the fact that the need to share firm vision is more direct in smaller firms. The link between vision and firm growth is often more straightforward in small sized firms as a result of the flat hierarchical structure, thereby allowing the entrepreneurs to formulate and implement strategies, supervise and manage results (Baum *et al.*, 1998). In addition, many of the female entrepreneurs (65.2 percent) stated that they effectively communicate the projected plans of the firm to their employees. This finding supports the view that women are more likely than men to share information and ideas with their subordinates (Rosener, 1990; Adesua-Lincoln, 2010).

Female entrepreneurs establish unique interpersonal relationships with their subordinates. As such they are more likely to use power that comes from personal characteristics such as charisma, interpersonal skills and personal contacts rather than to organizational standing (Helgensen, 1990). On the other hand, men appreciate hierarchical social order, in which the need to remain competitive and succeed is contingent on gaining independence and advantage over others, and avoiding the loss of power (Tannen, 1990). Male leaders are more inclined to focusing on failing of their followers, rather than caring about them as individuals (Bass & Avolio, 1994).

79.5 percent of the female entrepreneurs stated that they let their employees use their own initiative in decision making and in seeking solutions to problems. A further 65.9 percent of the female entrepreneurs stated that they let their employees participate in decision making. Majority of the female entrepreneurs 87.1 percent stated that they listen to the ideas of their employees. This set of findings show an element of benevolent leadership practices among female entrepreneurs, they can be seen to be more participative and involve their employees more in the affairs of the firm. These findings are in line with Rosener (1990), who states that women are more willing to share power and information rather than guard it and they make apparent their reasoning behind decisions. Many of the female entrepreneurs involved in the interview highlighted that the relationship between themselves and their employees was one of mutual trust and respect. One explanation for why women lead differently from men could be attributed to the Nigerian socio-cultural setting, and disparities between the male and female role within the household.

The collective nature of Nigerians could also go a long way in explaining why more women are seen to practice transformational leadership style. This study recognizes diversity and similarities among women, this is important as women's experience are shaped by divergent aspects of their society. Leadership practices differ across countries, this difference can also be seen within a particular country or geographic locality, owing to a number of factors, most notably socio-cultural in nature. As such, inhabitants of a particular country tend to exhibit differential leadership and management practices from those found in other countries or regions. Consequently, people within the same socio-cultural setting may also be seen to adopt different practices (Davidson & Burke, 2000; Elenkov, 2002; Chow, 2005). In addition, in a power-distance country such as Nigeria, the need to respect those in position of power and those more senior is imbibed in the cultural setting. The level of seniority may be a potential moderator of the relationship between the owner/manager and employees (Lowe *et al.*, 1996). This could explain the need for boundaries practiced by some of the female entrepreneurs.

The finding also shows that some of the female entrepreneurs regarded themselves as bureaucratic and usually give their employees strict boundaries (23.5 percent). This finding is in line with empirical literature which suggests that very few women practice transactional leadership, where prominence is on the exchange that takes place between the entrepreneur and employee. This exchange is based on the entrepreneur discussing with their employees what is required and specifying the conditions and rewards received when the conditions are met (Bass & Avolio, 1994). 70.5 percent of the female entrepreneurs stated that they liked to supervise their employees and clarify tasks to be performed, supporting the notion that while female entrepreneurs often exhibit transformational leadership qualities, they can be transactional leaders when necessary to attain set objectives.

This view is supported by various researchers (see for example Konrad *et al.*, 2000; Northouse, 2007) who state that women are becoming increasingly more assertive and masculine in their leadership approach, without losing their feminine qualities. Schein (2001) is of the opinion that women are becoming more androgynous in their leadership practices. This is a more pragmatic assertion as it seeks to highlight effective leadership practices, instead of a restrictive gendered leadership behavior. This finds support in research carried out by various writers who state that the most effective leaders are able to switch flexibly among the leadership style as needed (Goleman, 2000; Stivers, 2002). This is more in line with the situational leadership style which encourages the leader to adapt their leadership styles to reflect the needs of the subordinate by assessing the individual's level of commitment in the organisation and their competency (Hersey and Blanchard, 1969). In this model, the subordinate's development level and their competency will dictate the leadership style needed. Consequently the more competent the subordinate the more tasks are delegated. Subordinates with low level competency and commitment are directed and coached more by the leader (Pardey, 2007).

The female entrepreneurs involved in the study did not agree with the notion that women lack self-confidence in their leadership capability or that women lack requisite competence to function effectively as leaders. Many of the female entrepreneurs were of the opinion that women were better leaders than men.

Many of the female entrepreneurs interviewed stressed that Nigerian women were more daring when it comes to business acumen and management than their male counter-part. Most of the respondents said there was gender-based difference in running a business, most of the female entrepreneurs said that women were better business owners than men. This could be because women are more cautious when making business decisions, thereby having a lower failure rate (Adesua-Lincoln, 2011). One of the female entrepreneurs involved in the interview stated that men were better in business due partly to the fact they are able to assert themselves. Others said business women tended to put in too much effort in trying to prove themselves and to become too task orientated, appeared aloof and often over communicated, in trying to prove their point (Woldie and Adersua, 2004). Many of the female entrepreneurs stated that women tend to get their employees involved more in the decision-making process and allow them some level of responsibility as a result of home and family commitment of the female entrepreneurs (Bianchi *et al.*, 2001; Adesua-Lincoln, 2011). This finding is not surprising as such, in a collectivist society like Nigeria, family orientation is still very much practiced. One female owner/manager stated that employees were allowed to use their discretion; however, where intricate decision making was concerned the employee would need to seek the entrepreneurs view before taking any decision.

The finding shows that the laissez faire or passive leadership style is not prevalent among Nigerian SME's as all of the entrepreneurs stated that they were actively involved in decision-making and implementation in their various firms. 35.6 percent of the female entrepreneurs stated that they like to take all of the decisions in the firm themselves. Many of the female entrepreneurs involved in the interview stated that they elect particular employees to take some level of responsibility within the firm. The finding shows that women were more involved in grooming their employees for future leadership succession. One of the female entrepreneurs stated that due to family commitment she could not resolve every problem within the business and some level of authority or power devolution would have to be given to the employees when she was absent. The rationale for this according to another female owner/manager is that it ensures that the employees are more responsible and resourceful.

In relation to the level of communication within the firm, 48.5 percent of the female entrepreneurs stated that they like to communicate directly with their employees and customers. The entrepreneurs opined that communication pattern differs between Nigerian male and female entrepreneurs, women were seen to communicate more with their employees and were not averse to employees dealing with customers. One of the female entrepreneurs however stated that she preferred dealing directly with some of her older or well established clientele as a mark of respect. This finding supports the view that employer-employee communication and relationship is essential in developing employee loyalty towards the employer, employees follow the leader as guidance and knowledge transfer takes place (Longenecker *et al.*, 1998; Bolden & Kirk, 2006; Goleman *et al.*, 2002). Of significant importance is the need to actively engage with employees, this flexibility ensures an informal line of communication is present, which enhances employee motivation and helps foster creative and innovative thinking.

5.2 Effectiveness of Female Entrepreneur leadership styles

In order to determine if a significant association with firm performance exists, the leadership variables were cross-tabulated with performance variables and Cramer's V was used to measure the existence of an association. Leadership styles that were found not to have any significant association with performance were in relation to those female entrepreneurs who stated that they made all the decisions within the firm and those who gave their employees strict boundaries. The statistical test also showed no significant relationship between growth and the need to supervise employees or giving strict orders. The finding indicates that firms more likely to be effective were owned by female entrepreneurs who were very well educated. The leadership style with the strongest association with performance was for female entrepreneurs who let employees use their own initiative in decision making and in problem solving (with a Cramer's V value of .636). The findings also indicate that those female entrepreneurs who do not like to give their employees strict boundaries had a higher propensity for growth with a moderate association (Cramer's V value of .371) and those who stated that they inform their employees of their plans for the firm and share the mission and vision of the firm (Cramer's V value .362). The following leadership variables have some albeit low association with firm growth, entrepreneurs who listen to the ideas of their employees (Cramer's V value of .121), and those who communicate with their employees (Cramer's V value of .169).

6. Conclusion

From the theoretical perspective, many of the research carried out is rooted in the Western cultural context. Consequently, leadership styles identified in Western literature cannot be said to capture the essence of leadership in the African context. Our findings to a large extent have helped confirm socio-cultural influences on leadership style. The findings do not fully support the viewpoint in literature which suggests that the transactional leadership style is more effective (see for example Gerstner and Day, 1994; Offermann and Hellmann, 1997; Dastoor *et al.*, 2003). Many of the female entrepreneurs were seen to practice more transformational leadership, thus suggesting not only a cultural but also a gendered distinction in leadership practices. The challenge for African researchers therefore is to construct a model which transcends the Western leadership models and depicts the African setting of leadership which is contextual and culturally situated. To this end this study puts forward a working definition of leadership in the entrepreneurship context in Nigeria. The author contends that leadership in the Nigerian context should reflect leaders, who operate at their highest aptitude, working to help their employees unleash their potentials through systematic grooming and mentoring for future leadership by building a relationship of trust and mutual respect. Where employer-employee communication is encouraged and employees are given the opportunity to make a difference in the daily functioning of the firm consequently allowing innovation and new ideology to emerge.

7. References

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