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COPING STRATEGIES OF INFORMAL SECTOR'S SALON WORKFORCE IN YENAGOA, BAYELSA STATE, NIGERIA

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ABSTRACT

The central concern of this study is the nature of informal economic activities among employees in the sector in Nigeria. The study focused on the strategies adopted by informal sector's salon (hair dressing) employees and journey persons in Yenagoa metropolis. The aim was to examine their challenges and strategies. The work made use of both questionnaire and oral interview as primary data collection and library sources as secondary data. The cross tabulation statistical method was employed and presented in tabular forms to show the existence or not of a relationship. The study concluded that operators in the salon business employ pilfering, diverting employees to their homes to dress their hair on earning additional money and parents and friends as other sources. There was no significant relationship in the choice of clients based on gender, except that customers go for experienced, neat and amiable hair dressers as well as business premises located in clean environments. The study recommends that government should extend the skill acquisition programme to include salon trainees so as to empower them and stop many from engaging in unorthodox methods of survival. It also recommended that the trainees should be provided with starter packs on graduation to enable them provided employment for themselves and other would-be-employees.

Keywords: Salon Workforce, Coping Strategies, Nigeria

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INTRODUCTION

In contemporary times the economies of many developing nations are not only dominated by informal sector activities, particularly in the engagement of citizens but also in providing needed services. This sector plays prominent role in many nations, Nigeria, inclusive. In 2015 this sector

though with low paid jobs and wages contributed as much as 41% according of the (GNP). It provided critical economic opportunities for many, particularly among the poor and has been expanding both in size and magnitude since the 1960s, though barely monitored or taxed. Lacking in precise definition several authorities have suggested names such as underground economy, the Agora system, black market, the system D, the shadow economy, grey market, etc. Others still refer to the sector as off-the-books, working-for-cash-economy, under-the-table, etc. (Crow, 1989).

The city of Yenagoa, being the study area of this research is not exceptional in this case because of the visible presence of the informal economy at large. Since the formal sector cannot provide all the needed goods and services beneficial to a growing, needy and vulnerable population, the informal sector exists to cover the gap thereby creates a competitive market in both economies.

Yenagoa, like other urban towns in Nigeria the research study area, people are engaged in all sorts of activities, providing goods and services for the populace on a daily basis. In business ventures like barber's shops and saloon owners, employees and journey persons often engage in tedious activities all day long even with low wages. Despite the seemingly low wages many more get involved daily. Operators seek for alternative strategies for survival, salon operators not left out. Some of the strategies include tax evasion, circumventing regulations, avoiding licensing requirements and charges as well as the capacity to maintain some support from formal sector. Although jobs in the formal sector or economy might bring more security and regularity, or even better wages, the combination of monetary and psycho rewards from working in the informal sector appears attractive for many employees.

Statement of the Problem

Thabo Mbeki, former South African President referred to the informal economy as “the second economy” or the “marginalized economy”, and describes it as being “structurally disconnected from both the first and the global economy”. This notion of disconnect (the dual economic thesis) has been severely criticized for not recognizing the linkages between formal and informal sectors in terms of their economic activities as “churning”. The study acknowledges the role of the state in the economic development in general and the continued survival of the informal sector in developing nations, especially when economies are in crisis. Studies in Nigeria have tended to focus mainly on the collapse of the economy, political repression, social disorganization and the concomitant exodus of qualified professionals. A significant gap in the literature, especially on the contemporary crises, is a lack of up-to-date studies that examine the innovative and creative ways in which informal employees utilize in surviving in this sector of the economy.

The saloon (hair dressing) business is not without its challenges like any other organization in the informal sector. What could be its challenges? What wages are obtainable? What gender factors are there in this type of business? And what coping strategies are being adopted by persons in this sector. While participation in the informal sector can be stigmatized, what economic or non-economic reasons do people consider in engaging in the sector and to know if people engage in the sector are by choice or not? It is these and more questions that we shall attempt to answer in the course of this study and cover the time period 2010 to 2019 (a period of nine years).

Objectives of the Study

The general objective of this study is to examine the informal sector and the survival strategies employed by participants in the sector. The specific objectives are to:

- Highlight the challenges and difficulties characterizing the sector;
- Access and analyze the relationship between the informal sector and poverty;
- Critically examine the nature and predominance of low wages in the saloon subsectors;
- Examine the coping strategies of workers and journey persons in hair dressing saloons in the informal sector economy; and
- Carefully examine the gender factors and issues associated with the saloon business.

Research Questions

The study seeks to provide answers to the following research questions:

- What are the challenges in the informal sector in general and salon business in particular?
- Is there any relationship between the informal sector and poverty?
- What is the nature of wages in the saloon subsectors?
- What are the coping strategies of workers and journey persons in the informal sector?
- Do gender factors exist in this sector?

Literature Review

The informal sector lacks a generally accepted definition, yet all believed that it is one where individuals join and leave with ease. It is endowed with several labels such as the black economy, irregular economy, non-official, shadow, invisible, hidden, submerged, unrecorded, clandestine economy and the subterranean economy (Grantovetter, 1985; U.S Department of Labor, 1992). However, the concept was first used by ILO (Henry, 1987). The Conference of Labour Statisticians sees the informal sector as characteristics of the enterprising nature of Africans, rather than the persons involved or their specific jobs (Sampson & Lauritsen, 1997). To Samson, sector reflects the heterogeneity of the society and associated informal economy with informality in its activities (Samson, 2004). ILO (2002) reports that the informal sector accounts for about 70% of agribusiness in developing countries and about one-third of the non-agricultural employment in the world Ogbuabor and Malaolu (2013) reports that unemployment; government regulations, tax burden inflation, etc. are very important drivers of informal sector in Nigeria. Emphasizing on the sectors importance (Tanzi, 1999) asserted that there cannot be any question that the informal economy is a real phenomenon with important implications that deserve attention and study.

Ajakaiye and Akerele (1996) noted that Nigeria's informal economy is still an enigma as it has neither been comprehensively studies not understood. Oduh et al. (2008) defined an informal enterprise as one which operates without regulations prescribed by the public authority to govern its organizational behaviour. Akerele (2005) reported that before and years after independence, the Nigerian economy was predominantly rural and agrarian. Cash groups such as pal, produce, groundnut, and cocoa as well as minerals such as tine ore, columbite, and zinc were

major foreign exchange earners. These activities were carried out by individuals and small-holder enterprises.

Becker (2004) defines the informal sector as the unregulated, non-formal portion of the market economy that produced goods and services for sale or for other forms of remuneration. CBN/NISER collaborative workshop in 2001 defines the informal sector as that which operates without binding official regulations, as well as one who operates under official regulations that do not compel rendition of official returns on its operations or production process. Onwe (2013) sees the informal sector as ‘traditional’ and argues that it has continued to expand among Third World nations and served the populace as ‘safety belt’ in providing the poor with employment and income and described its activities as unrecorded, unrecognized, unprotected and unregulated by government, including profitable enterprises in manufacturing; with skills acquired outside formal education, labour intensive production, low entry requirements, small scale operations.

In Nigeria loss of jobs resulting from the adoption of the Structural Adjustment Programme (SAP) compelled many more to enter into the informal sector. Also, in a bid to survive some formal enterprises forged links with some operators in the informal sector through which some incentives like training and loan facilities were extended to the informal sector through the then bank of Industry, Peoples Bank, Bank of Agriculture (Nwaka, 2005).

METHODS

The population of study is comprised of all saloon proprietors, managers, employees, journey persons as well as help hands in Yenagoa metropolis. In order to choose our respondents to reflect key elements in the saloon business a simple random sampling technique was employed in choosing a sample population of 200 saloon workforce covering eight communities (localities) in Yenagoa metropolis using a specially designed questionnaire. The questionnaire was administered to the respondents personally with the assistance of two field assistants, who themselves are also saloon workers. The fieldwork lasted one week. A total of 200 questionnaires were administered out of which 193 were retrieved as properly completed.

Data Analysis

Table 1: Demographic Variables of Respondents

| S/N | Demographic Variables | | Freq. | % |
|-----|-----------------------|--------------------|-------|-------|
| 1 | Sex | Male | 79 | 40.94 |
| | | Female | 114 | 59.06 |
| 2 | Age | 15-25 | 81 | 41.97 |
| | | 26-35 | 44 | 22.8 |
| | | 36-45 | 32 | 16.58 |
| | | 46-55 | 27 | 13.99 |
| | | 56 & above | 9 | 4.66 |
| 3 | Working Status | Proprietor | 47 | 24.35 |
| | | Manager | 20 | 10.36 |
| | | Employee | 61 | 31.61 |
| | | Journey Person | 42 | 21.76 |
| | | Help Hand | 23 | 11.92 |
| 4 | Marital Status | Single | 136 | 70.47 |
| | | Married | 46 | 33.58 |
| | | Divorced/Separated | 9 | 4.66 |

| | | | | |
|---|--------------------|-------------------------|-----|-------|
| 5 | No. of Dependants | Widowed | 2 | 1.36 |
| | | None | 52 | 26.94 |
| | | 4-Jan | 91 | 47.15 |
| | | 10-May | 33 | 17.1 |
| | | 11 & above | 17 | 8.81 |
| 6 | Level of Education | No formal education | 6 | 3.11 |
| | | Primary School Attended | 9 | 4.66 |
| | | JSS | 37 | 19.17 |
| | | SSCE/GCE | 191 | 47.15 |
| | | Diploma/NCE | 23 | 11.92 |
| | | Degree | 18 | 9.33 |
| | | Postgraduate | 9 | 4.66 |

Table 1 shows that 40.94% our respondent as male and 59.06% as female. The age bracket of 15-24 years was predominant with 41.97%, next 25-45 years with 22.08% and third with age bracket of 46-55 years with 13.99%, while those aged 56 and above years were a paltry 4.66%. The Working status of respondents was Proprietors (24.35%), Managers (10.36%), Employees (31.61%), Journey persons (21.76%) and Help Hands (11.92%). Majority of the respondents (70.47%) are single; 33.58% are married, while 4.66% and 1.36% are divorced/separated and widowed, respectively. Similarly, 3.11% had no formal education, 4.66% attended primary school, while all the others had attended secondary level education and above, with SSCE/GCE holders dominating at 47.15%.

Table 2: Most Pressing Challenges of Saloon Operators

| Variables | Freq. | % - |
|--------------------------|-------|-------|
| Low Patronage | 57 | 29.53 |
| Meager Wages | 58 | 30.05 |
| Poor Working Conditions | 38 | 19.69 |
| Poor Working Environment | 23 | 11.92 |
| Job Security | 17 | 08.81 |

Table 2 shows that the most pressing challenges associated with salon business operations in Yenagoa were meager wages (30.05%) and low patronage (29.53%). Others are poor working conditions (19.69%) and poor working environment (11.92%). Not many indicated job security, as it was a general problem in the informal sector. Here it is indicative that of the several challenges confronting them, low wages and meager salaries were most prominent.

Table 3: Relationship between Hair dressing business and Poverty

| Variables | Freq. | % |
|-----------|-------|-------|
| Yes | 89 | 46.11 |
| No | 66 | 34.20 |
| Undecided | 38 | 19.69 |

In Table 3 majority accepted that there existed some relationship between poverty and salon business operations, as it was dominated by those poor and less educated with 46.11%, while 34.20% disagree, saying that many go into the business not necessarily because they were poor, but it was a demonstration of the enterprising nature of Nigerians in contemporary times. The above notwithstanding, many operators would opt out if they have better opportunities. Besides, many employees and journey persons earn low wages, a demonstration of under privilege and poverty, even though some particularly proprietors may be above the poverty line.

Table 4: Average Wages per Month in the Salon Subsector

| Variables | Freq. | % |
|-----------------|-------|-------|
| N5,000-9,000 | 43 | 22.28 |
| N10,000-14,000 | 93 | 48.19 |
| N15,000-19,000 | 23 | 11.92 |
| N20,000-24,000 | 21 | 10.88 |
| N25,000 & above | 13 | 06.74 |

The above table reflects the challenges of poor wages and low income in our table 2. To say that some earn as low as N5,000 - N9,000 per month is a demonstration of the appalling nature of incomes in the sector, and that workers must make other arrangements to make ends meet. The table shows that majority earn between N10,000 - N15,000 per month, which is less than N500 per day, with only 6.74% indicating they earn from N25,000 and above per month which itself is far below the national minimum wage.

What is the minimum wage

Table 5: Coping Strategies of Salon Workforce

| Variables | Freq. | % |
|---------------------|-------|-------|
| Pilfering | 34 | 17.62 |
| Diverting Customers | 58 | 30.05 |
| Working Extra Hours | 44 | 22.80 |
| All of the Above | 57 | 29.53 |

Earlier, our Table 2 indicated that the challenges of the salon subsector were generally low patronage, meager wages, poor working conditions/environment and lack of job security. Also in our table 4, that remunerations were generally paltry and below the national minimum wage. The frustrating condition at the salon workplace impinges on them to think of quick ways of making additional income to support themselves. Thus, 17.62% concurred the existence of pilfering among workers, 30.05 diverting customers to their homes, 22.80% work for longer hours, while 29.53% accepted all such actions exist in salons subsector.

Table 6: Sources of Raising Money to Cope with Low Wages

| Variables | Freq. | % |
|----------------------------|-------|-------|
| Parents/Relatives | 55 | 28.50 |
| Spouse | 32 | 16.58 |
| Boyfriends/Sexual Partners | 77 | 39.90 |
| Menial Jobs | 15 | 07.77 |
| Others | 14 | 07.25 |

Wages may be low but the people must make ends meet. Thus, salon operators seek alternative means of getting additional sums to enable support the low earnings. The above table shows that 28.5% of operators seek support from relatives, while 16.58% from their spouses. A majority of 39.9% affirm that boyfriends and other sexual partners support their training/welfare.

Table 7: Implications of the Coping Strategies

| Variables | Freq. | % |
|------------------------------------|--------------|----------|
| Poor Finishing/Productivity | 21 | 10.88 |
| High rate of Desertion/Termination | 57 | 29.53 |
| Customer Frustration | 43 | 22.28 |
| Low Returns | 39 | 20.21 |
| Unfriendly working environment | 33 | 17.10 |

Certainly, the appalling working conditions at the salons have implications on their performance and conduct. These included poor finishing/productivity. Poor wages results in lack of motivation and so poor productivity. The existence of pilfering means customers' and proprietors' materials sometimes get stolen. This could result to customers' frustration and discourage continued patronage. The poor wages also meant that many skilled personnel keep searching for higher paying salons/proprietors, and so desertion was high. Similarly poor productivity and dishonest behaviours will mostly likely result to sanctions such as suspension from work and termination of employment. Low returns will make for proprietors not happy with some workers and there is the tendency of quarrels and other unfriendly behaviours between proprietors and among employees.

Table 8: Gender Dominance/Preference by Customers

| Gender Dominance | Freq. | % | Gender Preference by Customers | Freq. | %. |
|-------------------------|--------------|----------|---------------------------------------|--------------|-----------|
| Males | 49 | 25.39 | Males | 71 | 36.79 |
| Females | 117 | 60.62 | Females | 64 | 33.16 |
| Undecided | 27 | 13.99 | Depends on Individual's Choice | 42 | 21.76 |
| | | | Others | 16 | 08.29 |

Table 8 shows that females dominated the salon business with as much as 60.62%, and males making 25.39%. On the other hand, respondents indicated that many customers prefer male attendants (36.79%), while 33.16% indicated preference for females. However, 21.76% said the choice of who a customer prefer largely depends on competence, friendliness and speed, with 8.29% indicating that numerous other factors, such as cleanliness, honesty, familiarity, etc. determine customers choice.

CONCLUSION

The study aimed at highlighting the challenges in the informal sector of the economy in general and saloon business in particular. It was also intended to assess and analyze the relationship between the informal sector and poverty. This study has shown that many operators barely struggle to survive with low income. That notwithstanding many sees the future of salon business as promising hence put in all efforts to continue despite the daunting challenges. The large number of salon business operators was a demonstration of the resourcefulness of African men and women with or without formal education. This subsector is dominated by females though males are steadily making inroad into it. The major findings revealed that salon business is associated with low returns; low wages and predominantly operated by women. However, many affirmed being happy being in it and hopes to continue as it readily help them in meeting some of their needs. Many respondents accepted that some employees and journey persons adopted different coping strategies, such as pilfering, diverting customers to their homes, working extra hours to earn more money and reliance on relatives and friends for sustenance.

The study also showed that there is significant relationship between gender and salon business as it is dominated by females, even though there is no significant demand for a particular sex, as customers' preferences has to do with the hair dressers expertise, efficiency, courtesy and neatness. Government should provide skill acquisition programme, which should include hair dressing (salon business) for the teeming youth so they can avail themselves with skills that will make them self-reliant in the future, and avoid the temptation of involvement in various vices. Government should also pay stipends or allowances to trainees and provide starter packs on graduation. This will enable them provide employment for themselves and others, instead of waiting for 'white-collar' jobs.

Government should also provide operating codes so that healthy practices can be maintained. It will also make for healthy working environments. This will mandatorily make operators to work in clean environments, provide honest services and work within the law. The absence of government support and sometimes parents has resulted in many girls maintaining several sexual partners simultaneously to enable them survive in urban centres. This has made many to gradually become 'commercial sex workers' unconsciously. This has also resulted in many dropping out due to pregnancy and involvement in crimes. Proprietors and managers of salons should try to pay 'living wages' to employees to discourage diverting of their customers to employees homes to earn more money, and the high rate of pilfering common in salon business. This practice not only gives the business a negative image, but also affects continued patronage.

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