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Are women financially excluded from formal financial services? Analysis of some selected local government areas in Lagos State, Nigeria

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Abstract. The preoccupation of this study is to investigate whether women are financially excluded from formal financial services in Lagos State. Four local government areas (Ikeja, Ifako- Ijaiye, Somolu-Bariga and Agege) were selected for the empirical enquiry. Perceptions of women about formal financial services were collected by means of questionnaires. Of the 280 questionnaires sent out, 202 were recovered and the data was analyzed using descriptive analyses techniques. Two major findings are reported:(i) women are excluded from financial services mostly because of their lower level of education which thus exclude them from being able to utilize financial products such as mobile and internet banking; and (ii)the older the respondents get, the lower their willingness to make use of internet or mobile banking, as the emergence of new products in that line is too sophisticated for them to understand, thus, they experience technical exclusion from financial services. The study recommends that: (i) there is need for specialized financial product for women and increased awareness of beneficial products by the financial institutions; and (ii) financial institutions should design specialized financial products for women and to embark on road-shows in markets where women are mostly aggregated in order to create efficient awareness of these financial products.
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1. Introduction

Women have been the most underprivileged and discriminated strata of the society not only in Nigeria but also in Africa at large (World Bank, 2008). In spite of all Government and Non-Governments' efforts, women have been highly ignorant clients of the financial sector. In the recent times, microfinance has been emerging as a

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powerful instrument for empowering women particularly, the rural women. Apart from the informal sector of finance the formal and semi-formal sectors like commercial banks, NGOs etc. are taking much interest in providing microfinance to women considering it to be a profitable commercial activity. Women are also participating in the microfinance movement by availing the microfinance services being provided by the various financial channels (AFI, 2013). Women and their empowerment is one of the burning issues in developing world, as they are confined to less remunerative jobs, specially the disadvantaged women. In many developing countries, female headed households are the poorest among the poor households. Experience shows that the 'hard-core' poor are largely the women, because they face social barriers in accessing economic assets such as skill, property and credits that make it is much harder for them to overcome poverty and they are more susceptible to becoming poor when they lose the male earning member of the family due to abandonment, divorce or death. Thus continued disparities between women and men in employment and income opportunities, education, and control over assets demonstrate that development activities are centered around on the men (GSMA Connected Women, 2015).

Financial exclusion has manifested prominently in Nigeria with the bulk of the money in the economy staying outside the banking system (CBN, 2004). The issue of financial exclusion has therefore been a major economic challenge that has received the attention of the various governments over the past four decades. Prior to the recent efforts to promote financial inclusion, the Nigerian economy was largely a cash-based economy with significant proportion of the narrow money stock in the form of currency outside the banking system. Although the average ratio of the currency outside the banking sector (COBs) to narrow money supply trended downward from 61.1 per cent 1 in the 1960s to 44.3 per cent in the 1970s and later to 40.9 per cent in the 1980s, the value, in nominal terms, was still high considering the growth in the level of narrow money in the economy.

The decline in the ratio was attributable to a combination of developments, including increased literacy and government policies directed at encouraging financial sector growth. The CBN, during this period, initiated rural banking programme directing banks to open branches in the rural areas, encouraging Nigerians to use financial institutions and products more. The crisis in the banking industry during the 1990s however eroded the confidence of the populace in the industry. The problem was aggravated by the excessive spending of the political class leading to the increase in the level of currency outside the banking system. The ratio of currency outside the banking system moved up to 47.7 per cent by end of the 1990s.

To forestall the damaging effect of the banking industry distress in the 1990s, government implemented various policies which not only involved economic reforms to improve the general wellbeing of the populace in terms of employment and income earning capacity but also included measures (particularly the bank consolidation programme of 2004) that increased deepening of the financial sector. The stimulated use of the financial services pushed down the ratio of currency outside the banking system to 38.2 per cent by the end of 2005.

In a cross-country comparative analysis of the financial exclusion rate using the same measure of the ratio of the currency outside the banking system to narrow money supply, Martin Oluba (2008), compared the financial exclusion levels in Switzerland, USA, Venezuela, Nigeria, Pakistan, India and Argentina in four and half decades (1960-2005). He found that Nigeria had not really done badly in comparative terms even though there was need to accelerate the exclusion rate reduction.

Over the years, the government and monetary authorities have introduced varying policies aimed at deepening financial inclusion within the economy. The policies ranged from various institutional involvements such as the establishment of community and microfinance banks to specific policies and programmes designed to facilitate access of the financially excluded to formal financial services. However, since 2005, the Nigerian financial services sector has witnessed increasing activities by both the government and the regulatory authorities aimed at deliberately promoting policies that are intended to grow financial inclusion. The CBN has been at the fore front of encouraging and supporting products that are specifically targeted at the low income and financially excluded, while the government has focused more on both interventionist financing arrangements and building institutions and frameworks that promote financial inclusion.

Financial inclusion plays an increasingly prominent role in development efforts globally. Many of the Sustainable Development Goals refer to the importance of financial services as a catalyst for development. The World Bank aims for universal financial access by the year 2020, and emerging world governments are constantly rolling out policies to expand financial access. Financial inclusion is therefore necessary to ensure that economic growth performance is inclusive and sustained. Financial inclusion refers to all initiatives that make formal financial services Available, Accessible and Affordable to all segments of the population. This requires particular attention to specific portions of the population that have been historically excluded from the formal financial sector either because of their income level and volatility, gender, location, type of activity, or level of financial literacy. In so doing, there is a need to harness the untapped potential of those individuals and businesses currently excluded from the formal financial sector or underserved, and enable them to develop their capacity, strengthen their human and physical capital, engage in income-generating activities, and manage risks associated with their livelihoods. Financial inclusion goes beyond improved access to credit to encompass enhanced access to savings and risk mitigation products, a well-functioning financial infrastructure that allows individuals and companies to engage more actively in the economy, while protecting users' rights.

In Africa, as in other regions, many women lack the financial capability and confidence to manage their finances well, particularly with regard to formal financial services. Previously un-served or underserved clients, new to the financial system, are not always in a position to take advantage of opportunities in the realm of finance without exposing themselves to undue risk. Such risk is more likely to arise in markets where consumers have little experience of using financial products and services and therefore tend to be ill equipped to make sound choices among options proposed. African women have poor access to information and, given their vulnerability, are risk averse. Improved policy support for greater information flows and financial capability would enhance usage. Limited by time available and by customs, women lack the mobility to interact with financial service providers and to invest in their economic activities. For example, they are more limited in time than men by their care and household responsibilities, carrying the double burden of income-generating activities and women's traditional family roles. Women are in a weaker position to take on funding for their microenterprises and SMEs. They have difficulty providing immovable collateral, given existing land and property rights and cultural rules that discriminate against women in terms of access to property. Lack of sufficient assets that can be accepted as collateral is considered a key obstacle in North Africa for accessing finance (OECD, 2011). A further constraint specific to women-led SME's is the lack of ability to put forth strong enough credit applications to banks and to explain and defend the proposals.

In Nigeria, the group that faces the greatest challenges are rural women, who make up a majority of the lower income categories, with the lowest levels of income and education; the highest rates of illiteracy and maternal mortality (WWB, 2011). Women's very limited access to land constrains their ability to invest in agricultural production and to provide collateral for loans. Service delivery is not adapted to women; bank branches are not an environment conducive to attracting low-income women client. Limited physical outreach of financial institutions and their limited opening hours are particularly constraining for women, as they are less mobile. With many financial institutions not perceiving the demand for gender-tailored products and African women's credit worthiness, women are not prioritized as a business segment; there is a lack of readiness on the part of financial institutions to target marketing messages accordingly. Product features may not meet women's requirements in relation to the growth of their businesses and the management of their household's finances (e.g. loan terms, savings conditions). Risk aversion on the part of financial institutions leads to offering products with reduced risk (e.g. lower maturity investment loans). SME finance and agricultural finance for women suffer disproportionately from these constraints.

Financial institutions lack credible and objective information on women clients and their potential, both on women's needs and their performance as borrowers. Insufficient gender-disaggregated data limits market information on what women want and need. Without performance data, there is no evidence to (most likely) disprove the perception of credit unworthiness. In terms of lending to SMEs, the barriers differ in terms of level and magnitude. Commercial banks have specific collateral requirements, often being more restrictive than the actual regulations in force. Their knowledge needs are different and they do not necessarily relax them for SMEs. Banks are not able to rethink evaluation methods and risk analysis to accommodate the specificity of the women-led SME segment.

Although some literatures exists that focused on financial inclusion of women in Africa, there is however a dearth in information on the level of financial inclusion of Nigerian women in Nigeria. Hence, the present study aims to fill in the gap in the available literature. It is a modest attempt to analyze the gender differences on financial inclusion with emphasis on women empowerment and the satisfaction level of the women towards financial services.

The broad objective of this project is to critically assess the magnitude of financial exclusion of womenfromformal financial service in Lagos State. In an attempt to address this broad objective, the study would focus on the following specific objectives:

1. To evaluate the level of female demand and access to formal banking in Lagos State.
2. To examine the level of financial literacy of women in Lagos State
3. Propound policies that improve female access to finance in Lagos State.

The study has both theoretical and practical significance. Theoretically, this study will be useful to both students and scholars who wish to advance their knowledge on the meaning, causes and impact of financial inclusion on women empowerment. In the light of this, the study will therefore be of practical significance as it would help the Central Bank of Nigeria (CBN) and Federal Government of Nigeriato assess and evaluate the adoption of financial extension towards the under-served and/or un-servedpopulace.

In order to attain the objectives of this research work, the study will adopt qualitative method of data gathering with the aid of questionnaires which will be distributed to respondents. The questionnaires are targeted at 280 women around four (4) different local governments of Lagos State (Ikeja, Agege, Ifako-Ijaiye and Somolu-Bariga). The choice of 280 was to attain a higher degree of confidence in the quality of feedback collated from the questionnaires. Thus, in light of these, the study focuses on the women exclusion and financial services sector of Lagos State.

This research work will be structured into five chapters. The first chapter will provide the introduction of the subject matter justifying the need for the study. Chapter two presents related literature on financial inclusion and Gender-Gap. Chapter three would be centered on the research methodology, research design, and sources of data, model formulation, and estimation techniques while data presentation and analysis will constitute chapter four. Concluding comments in chapter five reflects on the summary, conclusion and recommendations based on the findings of the study.

2. Literature review

2.1. Theoretical review

A theoretical framework establishes a vantage point, a perspective, a set of lenses through which the researcher views a research problem. It is the selection of a logical framework (Charema, 2004). With this understanding in mind, some theories relating to financial inclusion, microcredit unit, Digital Financial services Model, and women empowerment are discussed in the following sub-sections.

2.1.1. Microcredit portfolio

Microcredits- short-term loans in small amounts- to un-served or underserved households and businesses— lie at the heart of many people's concept of inclusive finance. The wide array of institutions making such loans are typically funded diversely depending on the market and regulatory system, including by private or public equity, deposits or deposit-like loans from individuals, loans from banks and other institutional lenders, and retained earnings. Regardless of the composition of their funding base, however, maturity and liquidity transformations are rare because microcredit is, by definition, short term. Of course this risk can arise, however, if the microcredits are made byinstitutions also engaged in longer-term lending, such as housing finance, or investment.

Does this mean that nonbank institutions that issue exclusively short-term microcredit cannot adversely affect systemic stability? Not necessarily. For example, banks may have incentives to fund such institutions, or even create them, to evade regulatory restrictions on their own direct micro lending activity—i.e., regulatory arbitrage, as in the case of Morocco (Lyman & Reille 2005, Chehade & Nègre 2013) and Russia, for example, where micro-lending institutions are not subject to the same interest rate regulation as banks themselves,4 or because of priority-sector lending targets (as in the case of India [CGAP, 2010]).

2.1.2. Financial literacy

Whereas more than 80% of adults have heard of and understand the term "bank" and more than 70% know what "interest" is, only 36% have heard and understand the term "insurance". More than 40% indicated that they have never heard of "insurance", and just over 20%, said that they have heard of it but do not understand what it means. Therefore the low levels of insurance penetration can to some extent be ascribed to a lack of knowledge. The low levels of financial literacy imply that consumer education on insurance will be a prerequisite for large-scale expansion into the low-income market.

2.1.3. Potential touch point model

Nearly 60% of Nigerian adults now own a mobile phone. Apart from being a direct distribution channel (in some countries insurance is for example sold as scratch cards through the mobile network operators' network of street-level vendors), the mobile phone can be a powerful tool for communicating with current policyholders, e.g. through SMS reminders to pay premiums or through SMS confirmations that a policy is activated. SMS can also be combined with mass media to recruit customers, for example where insurance is advertised for example on bill boards or on the television, with a short code to which the potential client can send an SMS, upon which an agent will phone him/her back.

Furthermore, there is much scope for the mobile phone network to be used as payments platform for premiums, especially in a country such as Nigeria where the majority of the population does not have a bank account and where direct debit payments for those who are banked can be problematic. Nigeria has seen a number of initiatives in recent years on the mobile payments front that can potentially be leveraged for insurance distribution purposes. However, significant consumer education will need to take place to establish the concept of the mobile phone as a means of conducting financial transactions, including paying insurance premiums.

Insurers can also make good use of the opportunities provided by existing platforms/infrastructure points such as the bank branches or post offices. Though less than 1% of Nigerians have insurance, 30% do have a bank account. This client base can be leveraged by insurers to market insurance through the banking channel. Furthermore, almost 14% of the population live near a post office and could therefore potentially be reached via the post office as distribution channel.

2.1.4. Overlaps between touch points: mobile phone, banked and savings club/society

10.8% of adults own a mobile phone and belong to a savings club, but do not have a bank account. 4.6% of adults own a mobile phone, belong to a savings club and are banked. 4.9% are banked and belong to a savings club but do not own a mobile phone and a further 28.2% have a bank account and own a mobile phone, but do not belong to a savings club. A significant proportion of each group does not overlap with the others. It would be important in the first instance to target those with the most overlaps, as that gives multiple layers of potential touch points with one customer. So, for example, in the nexus between savings clubs, banked and mobile phone, a scenario could be foreseen where the savings club is used as marketing/ aggregation channel, the bank account for premium collection and the mobile phone for client communication.

2.1.5. Digital financial services model

Another increasingly significant phenomenon in inclusive finance where nonbanks play key roles is digital financial services that target the mass market, including the un-served and underserved.6 While models vary widely—and with them the roles played by nonbanks—the essential feature is a digital transactional platform that combines the functionality of a payment instrument with the value storage functionality of a transaction account (see Lauer & Lyman 2015). Once in place, additional financial services—credit, interest-bearing savings, insurance, even investment products—can be offered to these same customers via the digital transactional platform.

Currently the vast majority of digital transactional platforms do not involve credit intermediation bynonbanks: even nonbank issuers of digitally stored value are typically required to hold customer funds in prudentially regulated and supervised banks or other safe and liquid investments (see Tarazi & Breloff 2010). Moreover, for the time being at least, additional financial services beyond payments and value storage offered via digital transactional platforms involve a prudentially licensed and supervised provider.

However, even if current practices do not meet any of the criteria flagged by FSB as characteristic of destabilizing shadow banking, potential for destabilization still exists. For example, in some markets unsupervised nonbanks— such as mobile network operators—often act as issuers of deposit-like stored-value products, and the growth of this phenomenon has been so fast that the effect of their possible failure on consumer behavior cannot easily be predicted.

Financial inclusion is delivery of banking services at an affordable cost to the vast sections of disadvantaged and low-income groups. As banking services are in the nature of public good, it is essential that availability of banking and payment services to the entire population without discrimination is the prime objective of the public policy. Although credit is the most important component, financial inclusion covers various financial services such as savings insurance, payments and remittance facilities by the formal financial system to those who tend to be excluded (Mahendra, 2006).

Inclusive growth encompasses ideas related to basic needs and equity. It focuses on broad – based growth so that growth covers all strata of society. It seeks to bridge the various divides that may fragment the society. Reduction in poverty and disparities of income and ensuring everyone a basic minimum standard of living are the objective of inclusive growth. In this context access to finance by the poor and vulnerable groups has to be recognized as a pre requisite for poverty reduction and social cohesion. It has to become an integral part of the efforts to promote inclusive growth. In fact, providing access to finance is a form of empowerment of the vulnerable groups. Thus, limited access to affordable financial services such as savings, loan, remittance and insurance services by the vast majority of the population in the rural areas and unorganized sector is believed to be acting as a constraint to the growth impetus in these sectors.

Access to affordable financial services - especially credit and insurance - enlarges livelihood opportunities and empowers the poor to take charge of their lives. Such empowerment aids social and political stability. Apart from these benefits, FI imparts formal identity, provides access to the payments system and to savings safety net like deposit insurance. Hence FI is considered to be critical for achieving inclusive growth; which itself is required for ensuring overall sustainable overall growth in the country.

The financially excluded sections largely comprise marginal farmers, landless labourers, oral lessees, self employed and unorganized sector enterprises, urban slum dwellers, migrants, ethnic minorities and socially excluded groups, senior citizens and women. Inclusive financial system, one that allows broader access to financial services, can lead to faster and more equitable growth. Such a system allows poor households to save and manage their money securely, decreases their vulnerability to economic shocks and allows them to contribute more actively to their development. Increasingly, with the proliferation of micro finance initiatives, there is evidence that inclusive financial systems can empower poor households socially as well in other words financial inclusion is delivery of banking services at an affordable cost to the vast sections of disadvantaged and low-income groups (Thorat, 2007).

Although credit is the most important component, financial inclusion covers various financial services such as savings insurance, payments and remittance facilities by the formal financial system to those who tend to be excluded (Mahendra, 2011). In the context of India becoming one of the largest micro finance markets in the world especially in the growth of women's savings and credit groups such as Self Help Groups (SHGs) and the sustaining success of such institutions which has been demonstrated by the success of SEWA bank in Gujarat, low cost banking is not necessarily an unviable venture/proposition.

2.2. Methodological review

There is clearly a divergence of opinion that will be further explored in the following section. The broad commonality is that the definitions all conceive of an exclusion from financial products and/or services, be it in terms of availability, access, and use. Also, they all represent areas in which attempts have been made to remedy these exclusions through more inclusive policies, practices and initiatives. Hence, financial inclusion can be understood as an evolving response to its changing antonym; financial exclusion. In the period following the 1997 election, addressing financial exclusion has been viewed as an element of achieving broader social inclusion in the UK (Regan & Paxton, 2003).

Financial inclusion can be viewed as an intensification and extension of poverty alleviation efforts (Karmakar, 2008). World Bank data reveals that, 'Higher the population, lower the financial penetration' (CGAP/The World Bank, 2009) and countries with large proportion of population not having access to financial services shows higher poverty ratios measured by both national and international poverty lines. World Bank data on percent of population with access to financial services reveals that countries like India (48 percent), Bangladesh (32 percent), China (42 percent) and Philippines

(26 percent) with large proportion of population not having access to financial services shows higher poverty ratios measured by both national and international poverty lines (World Bank, 2008).

This phenomenon of inclusive growth is endorsed by the Government of India and harmonized with the country's 11th Five Year Plan to promote "Inclusive Growth" with focus on the most marginalized section of the society (Planning Commission, 2006). Financial inclusion enables the poor to contribute towards and share the benefits of economic growth by equalizing opportunities, reducing inequalities and moving the wealth effect towards a neutral realm (World Bank, 2008 and Thorat, 2008). A World Bank survey reported that in India in the year 2011 around 33 percent of adults living in rural areas as against 41 percent in urban areas do not have access to formal financial institutions (World Bank/ The International Bank for Reconstruction and Development, 2012). The nexus between exclusion and poverty especially in rural parts advocates research for financial inclusion for the women.

Financial inclusion refers to timely delivery of financial services to disadvantaged sections of the society (United Nations, 2006; Ramji, 2009). Financial inclusion ensures that customers have access to a range of formal financial services, from simple credit and savings services to the more complex such as insurance and pensions. Financial inclusion also ensures that customers have access to more than one financial services provider that promotes a variety of competitive services. This suggests that 'financial exclusion' mean the inability of the disadvantaged to access financial services. Conversely, financial exclusion refers to a process whereby people encounter difficulties accessing and/or using financial services and products in the mainstream market that are appropriate to their needs and enable them to lead a normal social life in the society in which they belong (Sinclair, 2001; Devlin, 2005; Anderloni & Carluccio, 2006; Kempson, 2006; Carbo *et al*., 2007; EU, 2008).

Obstacles to financial exclusion include: unfriendly business environment, lack of sustainable growth; insufficient infrastructure; geography e.g. rural area - limiting physical access; psychology - fear of financial institution's staff, structures, complicated financial products, etc.; information - lack of knowledge regarding products and procedures; low income and poor financial discipline; and poor business practices (Gamji, 2009; Gardeva & Rhyne, 2011; Shafi & Medabesh, 2012).

Financial services encompass financial intermediation offered by financial services firms (FSFs) including: investment firms, leasing enterprises, credit institutions, insurance and pension funding firms and other auxiliary services such as the financial markets administration, security broking, and fund management (DFID, 2004; Fadun, 2013). Financial services are fundamental to economic growth and development (WTO, 2012). Moreover, the expansion of financial services that can be accessed by the public can increase income growth thereby reducing the direct impact of poverty (Jalilian & Kirkpatrick, 2001; DFID, 2004; Beck & De la Torre, 2006; Fadun, 2013).

The idea of financial inclusion emerged from this process. It can be used as an umbrella term to denote a wide array of policies over the past decade to tackle these various problems, which will be outlined and explored in greater detail below. The Governments Financial Inclusion Action Plan for 2008-11 states that:

> "Financial Inclusion is about ensuring everyone has the opportunity to access the financial services products needed to participate fully in modern-day society and the economy. Financial exclusion affects some of the most vulnerable members of society – extensive research has shown that those living on low incomes, and experiencing multiple forms of disadvantage, are most likely to be affected by financial exclusion. Tackling this problem, therefore, is an important part of social policy and social justice and action to break the intergenerational cycle of disadvantage' (HM Treasury, 2007:5). Financial inclusion has been conceived more recently as being constituted by two elements: Good financial decision-making (the demand for financial services): people need financial literacy in order to understand financial concepts, but they also need financial capability, which is the skills and motivation to plan ahead, find information, know when to seek out advice and then apply it. Access to financial services (the supply of financial services): people need access to products and services that are appropriate to their needs (Mitton, 2008).

Financial exclusion is a very broad term and could theoretically apply to exclusion from many different products and services. A sophisticated understanding should recognise that financial products vary in terms of complexity and difficulty of access, and that owing to their income levels, financially excluded people tend to rely on more basic accounts, current and savings accounts, mainstream credit, and insurance than on mortgages and pensions (Blake & de Jong, 2008). Commentators have critiqued the Governments early policy response, which was predominantly focused on increasing the amount of people with bank accounts.

Although the consequences of not having a bank account in an increasingly cashless economy will clearly be ever more exclusionary, it is highly contested that merely holding a basic bank account constitutes true financial inclusion (Mitton, 2008). Indeed, it has been said that the prioritisation of bank accounts was driven largely by the political and cost imperative of delivering welfare benefits electronically straight to bank accounts, and that such an approach 'fails to address the full breadth and depth of the experience of financial inclusion: it is not just about access to products but also the quality of engagement with those products and the need for individuals to develop skills and confidence to make informed decisions.' (Regan & Paxton, 2013).

Initially there were brief discussions of a 'financial literacy' concept, conceived as being 'an individual's ability to obtain, understand and evaluate the relevant information necessary to make decisions with an awareness of the likely financial consequences' (Atkinson, 2005:10). However, the debate has shifted and this notion has now been superseded by the more comprehensive idea of financial capability, as elucidated in the preceding section. Thus the early financial exclusion policy debates were predominately concerned with access to financial products and services, which is now referred to as the supply side of financial exclusion.

It is now widely recognised that for there to be greater financial inclusion, policy must also focus on the demand for financial products and services. Other commentators have gone further, asserting that financial inclusion should be more expansively conceptualized to include economic well-being, personal autonomy and citizen participation (Khan, 2008). Concerning the issue of degrees of financial exclusion, the World Bank distinguishes between those who are: formally served (World Bank, 2005); those who have access to financial services from a bank and/or other formal providers; and the financially served; which also include people who use informal providers.

In contrast to all the other literature, the term financially excluded is only used by the World Bank to describe those who have no access at all. Also, the European Commission distinguishes between financial exclusion in terms of transaction bank accounts and credit (European Commission, 2008). Regarding transaction bank accounts, there are said to be three levels of exclusion: 'Unbanked': those with no bank at all. 'Marginally banked': people with a deposit account that has no electronic payment facilities and no payment card or cheque book.

It can also include those who do have these facilities but make little or no use of them. The term 'underbanked' has also been applied to describe this situation. 'Fully banked' are people that have access to a wide range of transaction banking services that are appropriate to their needs and socio-economic status. For the credit category, the European Commission identifies five main levels of exclusion which begin with the completely excluded to the completely included: Credit excluded: complete lack of access Inappropriately served by alternative lenders: by sub-prime, money lenders or any kind of providers with a particularly high interest rate and other possible bad conditions compared with the market average Inappropriately served by mainstream lenders: mainstream providers may offer inappropriate credit Appropriately served by alternative lenders: even if few cases may appear, the probability exists Appropriately served by mainstream lenders.

An important unresolved debate is the contested issue of whether financial exclusion should be assessed at the individual, family or household level, each of which has its limitations. For example, when adopting an individual focus people might appear to be financially excluded when in reality their partner is making extensive use of financial services on their behalf. Alternatively, a young adult might not access financial services because of parental support. On the other hand, concentrating on families might underestimate the proportion of people at risk of being financially excluded if they experienced the break-up of their family and were overly dependent on their partner or parents. Assessing access at the household level (i.e. all adults living in a household) compounds these problems still further and does not account for the financial exclusion of young adults still living at home (European Commission, 2008).

The concepts of financial exclusion and inclusion are complex and multifaceted. The two notions are constantly developing in academic discourse and in UK and EU policy. Both are thoroughly intertwined with each other, and both must be understood in the broader context of the agenda to combat social exclusion. According to a European Commission report, the term financial exclusion was first used in 1993 by geographers concerned about limited physical access to banking services due to bank branch closures. Throughout the 1990s there was a growing body of research relating to the difficulties faced by particular sections of societies in gaining access to modern payment instruments, banking services, consumer credit and insurance.

A huge volume of research has been surfaced in the field of microcredit and women empowerment. The author tried to glimpse the representative ones and reviewed twenty available literatures on microcredit and women empowerment. The majority of these literatures support the notion that microcredit facilitates women empowerment. However, a few of these support the notion that microcredit does not facilitate women empowerment. Haider (2011) and Kuddus (2012) provided a description of the survival strategies of poor women in Bangladesh. They reviewed a number of GO-NGO projects, with a view to design an action research project for mainstreaming rural women and described the disproportionate and oppressive social burden the women carry in the society.

Berger (2005) found that increasing women's access to microfinance services lead to individual economic empowerment through enabling women's decisions about savings and credit use, enabling them to control income and set up micro-enterprises. It is then assumed that this economic empowerment lead to increased well-being of women and then sociopolitical empowerment. Salahuddin & Shamim (2006) identified the impact of poverty focused NGO programs on rural women beneficiaries in terms of employment and income. The study revealed wide gender gaps in employment and income, literacy and education, nutritional intake, and access to health facilities.

Cheston & Susy (2012) showed that many microfinance institutions seek to empower women as an implicit or explicit goal, and believe they cannot afford to focus on empowerment because it is incompatible with financial sustainability or because it detracts from the core business of providing financial services. Latifee (2013) found that the indicators such as respect from neighbors and spouses, self-esteem, self-confidence, self-expression, ability to protest social injustice, capacity to solve social issues are applied to measure changes in social conditions of poor women; this has all been possible because of their access to credit.

Slee (2004) identified that women particularly from disadvantaged families cannot participate in or benefit from development efforts. In climatic and economic vulnerabilities, men tend to migrate leaving their families behind, where women bear the burden of poverty in a discriminatory situation. Malik & Luqman (2005) revealed that microfinance raised economic status of women. It assisted women to earn extra income through which they can earn significantly greater financial autonomy. Hasan (2005) observed that poor women are involved in various income generating activities such as agriculture, poultry and livestock rearing, household gardening, fisheries, forestry, handicrafts, service providing activities to be economically solvent. Thus women can establish their opinion in household affairs and also can ensure participation in development process.

Umashankar (2006) explored the impact of participation in Self Help Groups on the empowerment of women in the context of the great importance being given to the group approach while conceptualizing any program for rural women. The study looked at various dimensions of empowerment – material, cognitive, perceptual and relational. Access to credit can help in expansion of material base of women by enabling them to start and expand small businesses, often accompanied by market access; the women also experienced 'power within': feelings of freedom, strength, self-identity and increases in levels of confidence and self-esteem. Gupta (2006) showed that though women have made great stride in improving their education status; gender gaps still persist. Even though female employment has increased in most regions of the world, the vast majority of women still work in low-paying, seasonal and insecure jobs in the informal and semi-formal sector of the labor market.

UNFPA (2007) showed the relationship between microfinance and women's empowerment and improvements in their health. This study supports the link between microfinance and social performance, exemplified by microfinance's strong positive impact on women's empowerment and a less verifiable impact on sexual and reproductive health. When microfinance is offered in conjunction with health education services, however, this link is strengthened with a positive impact on both empowerment and sexual and reproductive health. Hossain (2008) empirically examined the role of microfinance institutions in promoting rural livelihoods in Bangladesh. The study reflects on recent arguments against micro credit and shows that despite some criticisms, microfinance is making significant contribution in uplifting the livelihoods of disadvantaged rural communities.

Mayoux & Hartl (2009) showed that microfinance has been seen as contributing not only to poverty reduction and financial sustainability, but also to a series of 'virtuous spirals' of economic empowerment, increased well-being and social and political empowerment for women themselves, thereby addressing goals of gender equality and empowerment. Haugen (2008) examined the effect of micro-finance on the empowerment of women. It showed that when women start saving money, and work with small businesses, their practical needs are fulfilled. The strategic needs of women are however not fully met through micro-finance, particularly within the area of household work, where traditional gender roles seem to prevail. Thus, it concluded that that women are not fully empowered through microfinance, but still has to undergo tremendous progress, both individually and community-wise.

Asim (2008) found impact of microfinance on indicators of women empowerment in urban center of Lahore district in Pakistan. This study considered indicators involving economic decision, social mobility decision, child and health related decision, resource allocation decision and autonomy in household purchase decision. To investigate the relationship between women empowerment and microcredit participants the study took three different estimates such as simple parametric framework of conditional mean dependence, randomization of treatment and bivariate probit model. The result showed that microcredit program was insignificant in explaining all the outcome indicators of empowerment for sampled households. Shah & Butt (2011) showed the role of microcredit in income generating activities of women and its impact on their socio-economic empowerment. They found that microcredit has significant impact on the up lift of socio-economic empowerment of the borrowers. The results showed that most of the females who availed the facility of microcredit finally got socioeconomic empowerment.

Khan *et al.*, (2011) studied impact of microcredit scheme of Punjab Rural Support Program (PRSP) on empowerment of women. This study compared status of women before and after taking microcredit. Microcredit program increased awareness of women and women's empowerment. It raised involvement in the children education, self-identity, literacy, visiting shopping and participation in family budgeting. Noreen (2011) found that utilization of loan by women extracts better result than male family members. The study also found that empowerment status of rural women in Bahawalpur City of Pakistan can be significantly developed by enhancing their income generating activities by imparting loan without any collateral through different microfinance programs.

Islam & Reza (2012) explored a sustainable way of poverty reduction through coordinated micro-credit operations and social overhead capital (SOC) in rural areas, which calls for a Government and NGO partnership. They test the viability of SOC as a determinant of efficiency of micro-credit operations in rural areas of Bangladesh. The studies cited examined different socioeconomic dimensions of women empowerment. None of them considered women empowerment as a nexus with microcredit and financial inclusion. Thus, it appears that in spite of the huge literature on microcredit and women empowerment, there is ample scope to examine whether extension of microcredit to disadvantaged women really creates any room for financial inclusion and leads to their real empowerment.

Sharma (2008), through cross country empirical study examined a close relationship between financial inclusion and development. Further, the study found a positive relation between financial inclusion and different socio-economic variables like income, inequality, literacy, physical infrastructures. Ramji Minakshi (2009), took a deliberate attempt to understand the process behind the recent financial inclusion drives in India in the specific context of Gulbarga district in Karnataka. This study finds that the financial inclusion drive, while implemented with a great deal of enthusiasm by banks and bank officials, does not resonate with low-income households.

There are five basic pillars of financial inclusion. These are:

- Access to a full suite of financial services, including credit, savings, insurance, and payments;
- Services must be convenient, affordable, suitable, provided with dignity and client protection;
- Services must be provided to everyone who can use financial service including both excluded and under-served populations, with special attention to rural, persons with disabilities, ethnic minorities, and other often-excluded groups;
- In a diverse and competitive marketplace consisting of a range of financial service providers, supported by robust financial infrastructure and a clear regulatory framework; and
- Clients financial literacy and capability to promote best use of financial services (Gardeva & Rhyne, 2011; CBN, 2012). To facilitate financial inclusion, access to four key services are essential – transaction banking, savings, credit and insurance (World Bank, 2005; EU, 2008).

2.4. Empirical review

Research shows that a well-functioning and inclusive financial system is linked to faster and equitable growth (Honohan, 2004; Ellis, 2007; Demirguc-Kunt & Klapper, 2012). Qualitative evidence from financial diaries demonstrates that poor people juggle complex financial transactions every day and use sophisticated techniques to manage their finances, whether they use the formal financial system or not (Collins *et al.*, 2009; Dupas, 2009). People with access to savings accounts or simple informal savings technologies are more likely to increase consumption, productivity and income, increase investment in preventive health, and reduce vulnerability to illness and other unexpected events (Dupas & Robinson 2009, 2011; Ashraf *et al.*, 2010). Likewise, increase access to microcredit enhances investment and entrepreneurship for households with existing businesses (Karlan & Zinman, 2010; Banerjee & Duflo, 2011; Karlan & Valdivia, 2011).

However, while non-bank financial institutions serve men and women equally and microfinance institutions serve proportionately more women, commercial banks continue to serve relatively more men. Although banks seem to be missing out on the female market, particularly in rural areas, mobile network operators (MNOs) and FinTech companies report a narrower gender gap among male and female mobile money users in urban areas.

According to the World Bank's Global Findex data, the gender gap in Tanzania narrowed from 7% to 4% between 2011 and 2014: 17.1% of women held an account at a financial institution in 2014 versus 21.1% of men, with 19% access overall. From 2011–2014, the percentage of women holding an account at a financial institution increased by 3.3 percentage points, while the percentage of men holding an account rose only 0.3 percentage points. Tanzania is one of five Sub-Saharan African countries where more adults have a mobile money account than an account at a formal financial institution. Mobile account access is at impressive levels for both genders, but women still fall behind men at 27% versus 38%.

For additional data, Tanzania conducted FinScope surveys in 2006, 2009 and 2013, which show enormous progress in financial inclusion overall, both in banks and other formal institutions. Although the gender gap widened, women's financial inclusion in formal institutions increased from 14.4% to 51.2% over this four-year period. The increase in inclusion overall is essentially due to the expansion of mobile money—only 1.1% of adults used mobile money in 2009, but this had risen to 49.9% by 2013.

In the mobile money space, adoption of mobile phones and huge growth in distribution channels has led to an increase in mobile wallet usage. FinScope data shows 44% of women and 54% of men use mobile money. Usage not only includes sending and receiving money, but also savings and stored value (used by 25.6% of adults in 2013). According to FinScope data, the increase in women's financial inclusion has been due to three factors: mobile money, savings in groups and microfinance.

The Global Financial Inclusion (Global Findex) data also show sharp disparities in the use of financial services between high-income and developing countries, thereby confirming findings of previous studies (see, for example, Beck *et al.,* 2006, 2007; Cull *et al.,* 2013). In the Nigerian context, financial inclusion is achieved when adults have easy access to a broad range of formal financial services that meet their needs and are provided at affordable cost (CBN, 2012).

Bagli (2012) has found that a strong positive association between the human development and the financial inclusion of the states in India. He also found that it would be helpful to the governments or financial regulators or other bodies of policymakers in near future to enhance financial inclusion but till date in financial inclusion the plight of the states in India is not commendable. He has also concluded that the mass financial literacy and awareness among the marginalized sections of people are absolutely necessary to achieve financial inclusion.

Sri NarendraModi, Hon‟ble Prime Minister of India (2014) in report of PMJDY indicated few challenges in implementing mission. In that one of the challenge was related to Brand awareness and sensitization about channel of Business Correspondent Banks Outlets and Rupay Cards which is important to achieve a "demand" side pull effect. In this report it is also mentioned about the financial tripod for financial inclusion, in which financial education is one of the important mainstays.

Kaur & Singh (2015) found that financial inclusion in India will help government and banker to reach at untapped potential of bottom of the pyramid section of Indian economy. They have also described that The widely acknowledged & successful launch of this PMJDY scheme also strengthens the resolve that when coordination, dedication, opportunism, commitment, formalization, dependence, trust, satisfaction, cooperation and continuity is provided by all the constituents and stakeholders, a framework of construct is created which acts as a dominant force for accomplishment of the mission.

Raval (2015) in his research mentioned about importance of inclusion of people of low income or deprived class in economic development. PMJDY is such an initiative in this direction by the government of India. He also studied that an initiative to cover "excluded segment" can be successful if government is backed with efforts of private sectors and involvement of people beyond just policy formation of government. Balasubramanian (2015) has focused on importance of financial literacy focusing on saving habit among poor. He has build decision tree model indicated that the number of earning members, family size, average monthly income and nature of employment are the deterministic independent variables which influence the regular saving behavior of the poor.

The review of earlier research works undertaken in the area of Financial Inclusion would help to identify the research gaps, methodology used and findings of earlier studies. According to Chakravarty & Pal (2010), the axiomatic measurement approach developed in the human development literature could be usefully applied to the measurement of financial inclusion. The suggested index of financial inclusion allows calculation of percentage contributions of different dimensions to the overall achievement.

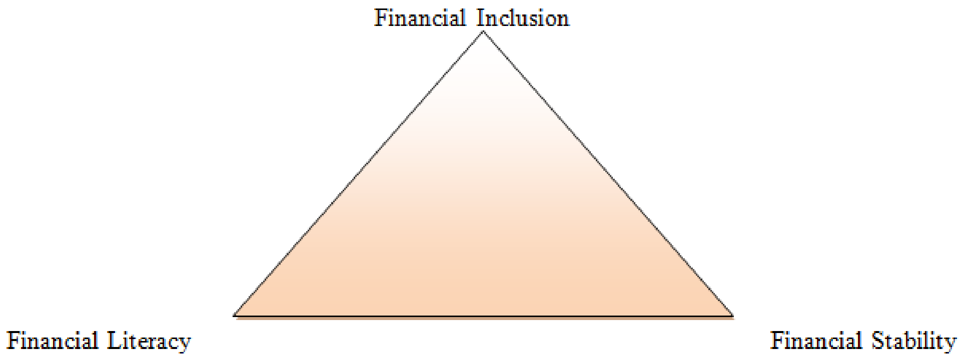
Kuri & Laha (2011) identified the underlying factors that are responsible for creating obstacles in the process of financial inclusion in rural West Bengal. Sarma (2008) focused on the literature which indicated a lack of a comprehensive measure that could be used to measure the extent of financial inclusion across economies. Kumar (2011) assessed the behavior and determinants of financial inclusion in India. The study found that the factory proportion and employee base are considered as the significant variables indicating that income and employment generating schemes lead the public to be more active, aware, interested with regard to banking activities, which contributes towards financial inclusion.

Singh & Kodan (2012) analyzed the relationship between financial inclusion and development with the help of Index of Financial Inclusion (IFI) and also to identify factors associated with financial inclusion with the help of Regression Analysis. The study found that per capita NSDP and urbanization were significant explorers of financial inclusion while the literacy, employment and sex-ratio were not statistically significant explorers/predictors of the financial inclusion.

3. Theorectical framework and research methodology

3.1. Theoretical Framework

The theoretical frame work adapted in this study is based on Raval (2015), which suggests that financial Inclusion has two major components which are financial literacy and stability of the financial system;



Source: Raval (2015),

Chowhan & Pande (2014) concluded that by bringing low income groups within the perimeter of formal banking sector; financial inclusion protects their financial wealth and other resources in exigent circumstances. Financial inclusion also mitigates the exploitation of vulnerable sections by the usurious money lenders by facilitating easy access to formal credit. To mitigate such sufferings, the Pradhan Mantri Jan Dhan Yojna lies at the core of Government of India development philosophy of Sab Ka Saath Sab Ka Vikas.

3.2. Research design

In this study a cross sectional survey design will be used. Both quantitative and qualitative methods will be used to collect data from selected women which would form a representative sample. Amin (2005) argues that this design helps to gather opinions from a cross section of the population. The design was used to obtain information about exposure of women to Non-interest banking services, Fixed deposit account, Overdraft, ATM/Debit card, Loans, Current account, Savings account and mobile money. This method is also appropriate because it produces normative data required for quantitative analyses (Leedey, 1989).

Area and Population

The study will be carried out in selected local government of Lagos State namely: Ifako Ijaiye, Ikeja, Agege and Shomolu.

3.3. Sample size and sampling technique

The sample size will comprise of 70 respondents from the 4selected local government making total of 280 respondents. Stratified Random sampling techniques will be used in the study to select the women to be served questionnaire or interviewed as the case may be. This technique was chosen because it has a high degree of representativeness and offers accurate results. Random sampling will be employed in the study because women in the strata will have equal chances of being selected. Women engaged in petty business and shop owners will be purposively selected since they are the ones more likely to be excluded from these financial service.

Reliability ofInstrument

In the case of reliability, the Cronbach's Alpha coefficient method of internal consistency will be used to calculate the reliability co-efficient of thequestionnaire.

The formula was as follows:

$$\propto = \frac{K}{K-1}\left[\frac{1-\sum SD_i^2}{SD^2}\right]$$

Where α = the alphacoefficient

ΣSDi^2 = sum of the variance of individual items in the questionnaire SDt^2 = variance of entire questionnaire

K = number of items in the questionnaire

Reliability of the questionnaire found to be between 0.7 – 0.9 or 1.0 gives a clear indication that the research can proceed.

3.4. Methods of data analyses

The analysis of the questionnaire will be done using Microsoft Excel package. Descriptive analysis in the form of percentage and graphical anaysis were used to pictorially depict the flow of information as presented by the respondents so as to ensure cohenrence between responses and its communicated messages.

4. Presentation and analysis of results

4.1. Presentation of results

This chapterdeals with the analysis, presentation and interpretation of the data collated from the 280 questionnaires distributed to four (4) local governments in Lagos State in which only 202 were retrieved.

Table 1. *Local Government of Respondents*

Local Government	Frequency	Percent
Ikeja	55	27.2%
Agege	48	23.8%
Ifako-Ijaiye	47	23.3%
Shomolu-Bariga	52	25.%
Total	202	100%

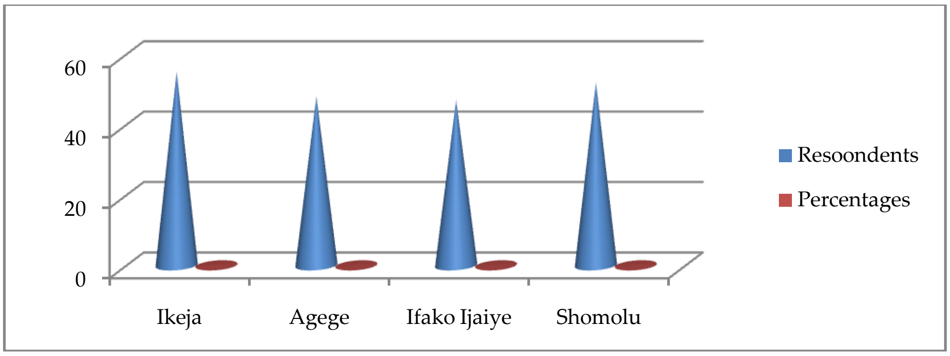
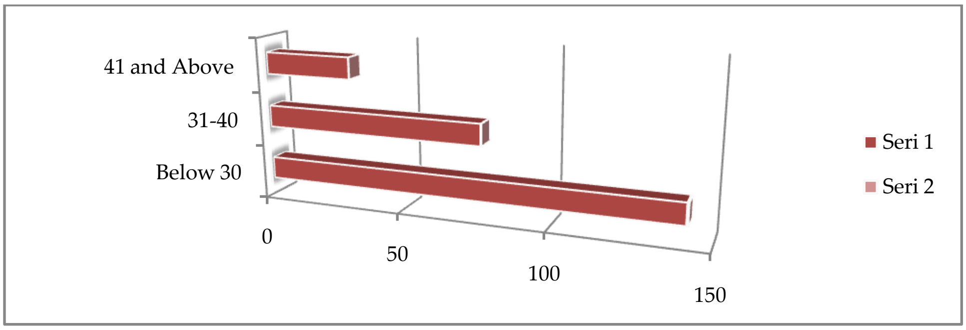


Table 1 above presents the local government composition of the respondents. The table showed that out of the 202 respondents, 55, 48, 55 and 52 responded from each local government out of the 70 distributed questionnaires. This simply mean that the lowest and highest recovery rate of questionnaires was 68.57% and 78.57% respectively, with the average recovery rate being 75% across the four local governments.

Table 2. *Age of Respondents*

Age Range	Frequency	Percent
18 – 25	42	20.8%
26 – 40	73	36.1%
41 Years and Above	87	43.1%
Total	202	100%



From table 2 above, it can be observed that people without tertiary education dominated the pool of respondents with staggering 179 (88.61%) of total respondents. Out of this staggering amount, only 61 (30.2%) are with secondary school education (SSCE), 89 (44.1%) are with primary school education, while 29 (14.4%) are without any form of formal education. On the opposite of these, the remaining 23 (11.4%) of respondents have formal tertiary education with most of them attaining level of MSC/PhD in their academic pursuit.

Table 3. *Level of Education of Respondents*

Degree	Frequency	Percent
PhD/Msc	23	11.4%
SSCE	61	30.2%
Primary School	89	44.1%
Not Schooled	29	14.4%
Total	202	100%

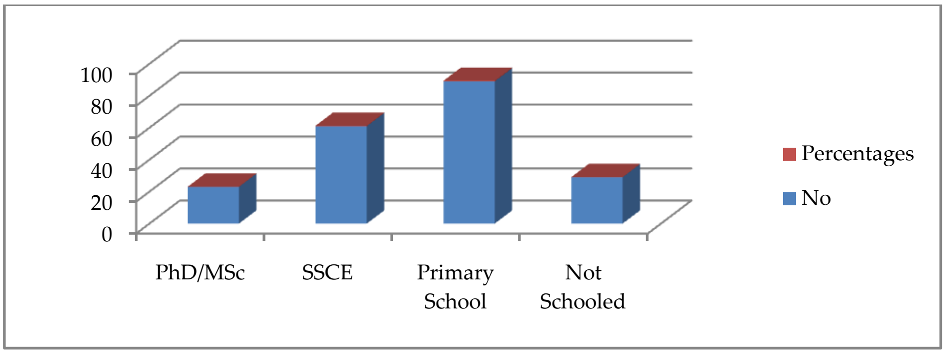


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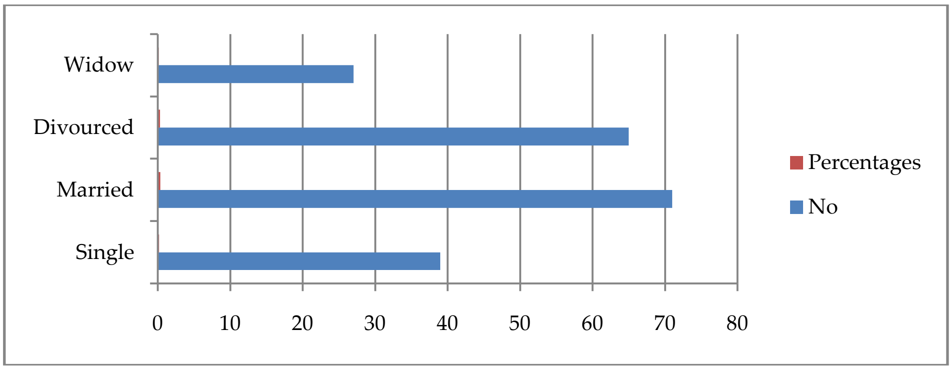
Table 4. *Marital status of Respondents*

Status	Frequency	Percent
Single	39	19.3%
Married	71	35.1%
Divorced	65	32.2%
Widow	27	13.4%
Total	202	100%



From table 4 above, 39 (19.3%) of the respondents fall within the singles bracket and 71 of the respondents are married individuals with a percentage of 35.1%. Furthermore, 65 (32.2%) of respondents are divorced and 27 widows which amounts to 13.4% of the total respondents. Thus a higher percentage (forming a majority) of the respondents are either married or divorced.

Table 5. *Occupation of Respondents*

Years at Organization	Frequency	Percent
Trader	153	75.7%
Corporate Employee	26	12.9%
Corporate Support Staff	23	11.4%
Total	202	100%

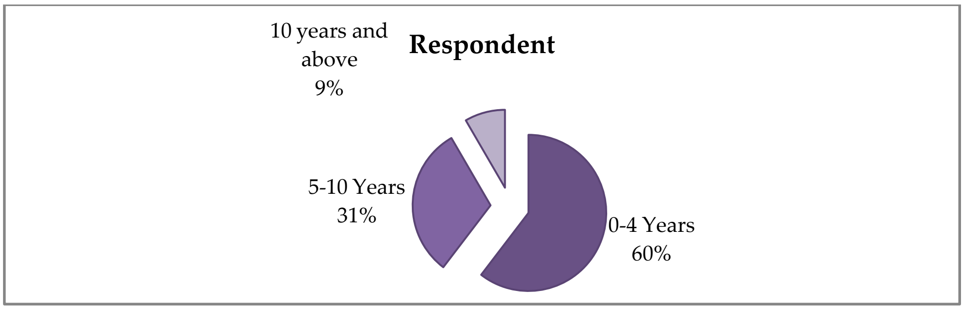


Table 5 above shows a distribution of occupation of the respondent. 26 (12.9%) works as a formal employee in the corporate sector while 23 (11.4%) work as support staff in the corporate sector. Furthermore, the larger distribution of the respondents are traders constituting 153 (75.7%) of the total respondents. This indicates the dominance of traders in the distribution of respondents.

4.2. Analysis of results

Analysis of Questions from Questionnaire: Table 6 below presents the responses of the respondent in terms of their demand for financial services in Lagos State.

Table 6. *Demand for Financial Services by Women*

	Importance	YES	NO				TOTAL
7	Do you have a bank account?	200	2				202
		1	2	3	4	Above 4	
8	How many accounts do you have?	35	162	5	0	0	202
		S	C	FD	RD	Others	
9	What type of account?	123	72	7	0	0	202
		Yes	No				
10	Has owing an account helped you increase savings?	37	165				202
11	Has access to financial services helped improve your business?	58	144				202

Note: S= Savings Account. C= Current Account. FD= Fixed Deposits. RD= Recurring Deposits.

In line with the first objective of the study, the result showed that larger percentage of the respondents 200 (99 %) have a form of bank account, and 197 (97.52%) have at least 1 or 2 accounts with the bank, most of them being savings account, as the survey revealed ownership of 123 (60.89%) savings account. This implies that the demand and access to bank services by women in Ikeja, Ifako-Ijaiye, Somolu and Agege of Lagos State is fairly good. However, it was revealed that ownership of banking account never led to significant increase in the level of savings for the surveyed individual, as only 37 (18.32%) of the respondent revealed that their bank account ownership contributed to increase in their savings, while the remaining 165 (81.68%) indicated that ownership of bank account did not lead to increase in savings for them.

Furthermore, similar pattern was observed when the surveyed individuals were asked on the contribution of the financial services sector to the growth of their business; as only 58 (28.7%) responded positively to this questions, with the remaining 144 (71.3%) indicated otherwise. This implies that the financial services did not contribute positively enough to their business. This is not in agreement with the view of Chong and Chan (2010) who stated that financial inclusion connects people to banks with the consequential benefits of business and economic growth. The reason this is so is because the financial institutions have not done much in the area of tailoring their services to cater for the low income earners and market traders.

Table 7. *Access to Financial Products and Services*

	Issues	Save	Loan	Overdraft	Salary		TOTAL
12	Why do you bank?	57	96	0	49		202
		<5 mins	<15 mins	<30 mins	>1 hour		
13	Distance between home and bank	122	73	7	0		202
		Daily	Weekly	Monthly	Yearly	WIHM	
14	Frequency of bank savings	32	49	31	3	87	202
		Yes	No				
15	Do you have a mobile phone?	200	2				202
16	Mobile internet enabled phone?	73	129				202
17	Aware if mobile banking	175	27				202
18	Use internet banking	67	135				202
19	Have applied for loan from bank	147	55				202

Note: WIHM = When I have Money

The above table is used to capture access to finance of the respondents. The tabled revealed that only 57 (28.2%) open a bank account in order to save, while 96 (47.5%) opened account in order to access some form of loan facility from the commercial or microfinance bank, while another 49 (24.3%) open their account due to salary requirement. Similarly, the survey revealed that most of the respondents stay or work at close proximity to at least one (1) branch of their bank, and thus most of them 122 (60.4%) spends less than 5 minutes before getting to their bank, while another 73 (36.1%) indicated their distance to bank as more than 5 minutes but less than 15 minutes. In line with the earlier revelation that most respondents did not open their bank account to facilitate savings, our result revealed that larger percentage of the respondents 87 (43.1%) only save into their bank account whenever they have money, and thus they do not have a clear cut pattern of savings. On the other hand, 32 (15.8%), 49(24.3%) and 31(15.3%) revealed that they do saving in their account on a daily, weekly and monthly basis in a respective manner.

With the emergence of electronic banking and internet services, our survey revealed that almost all the respondents 200 (99%) have at least one (1) mobile phone, and out of these 200 individual, only 73 (36.5%) of them have an internet enabled mobile phone. Similarly, out of the 73 people with internet enabled mobile phone, only 67 (91.8%) make use of mobile and internet banking, despite 175 (86.6%) of the respondent being aware of internet and mobile banking. In the same vein, 147 (72.8%) have applied for a loan from the bank at least once in their life, which thus correlate with the initial observation that most of the respondents open their account as a result of their need for loan and loan application.

The implication of these findings is that most of our respondents do have bank accounts, with majority of them being forced to open the account as a result of condition around the loan package, while the distance of their bank is not far; majority of the respondents finds it hard to save in their account on a consistent basis. While also being aware of internet and mobile banking, the majority of them failed to benefit from the positivity of mobile and internet banking in Lagos. The take out of this section of the survey is that there is indeed access to finance in Lagos state, as the access and supply of financial services in Lagos state to women, but majority of the women have lower level of education and are thus unable to take advantage of the benefits of banking, internet and mobile banking in Lagos State.

Table 8. *Accessibility & Transaction Cost*

S/N	Importance	YES	NO	TOTAL
`20	Cost of transporting to bank is high	52	150	202
21	Waiting time at banks is discouraging	198	4	202
22	Bank service charges are too high	174	28	202
23	Do you have ATM/Debit Card	151	51	202
24	Do you use other form of financial services	0	202	202
	Open Ended Question	Response		
25	Difficulties faced in accessing financial services			
26	If you have insurance, what type?	Vehicle Insurance & Fire Insurance		
27	Reasons for using financial services	To protect against damages and fire		
28	Opinion on women involvement in Nigeria financial services	Women needs to be involved to improve the contribution of women to the Nigerian economy		
29	How can more women be involved in financial services sector in your local government?	By empowering women through laws and legislation and also by share willingness		

In terms of transaction cost related to access to financial services of women in Lagos State, this section of the survey revealed that majority of the respondents believe the cost of transporting to their bank is reasonable and thus not a prohibitive factor to their lack of savings culture. On the opposite, the high waiting time at the banks discourages most of the respondents 198 (98%) from going to their bank for transaction which thus reveal the chronic state of women involvement in the financial sector. Similarly, the respondents believe charges imposed by the banks for their services are not proportional to their value they receive from the services and thus found this as a prohibitive factor in their utilization of financial services.

In the open ended portion of this section, majority of the respondent who make use of insurance indicated their use of vehicle and fire insurance in order to protect against damages and fire to their assets. They also believed women needs to be more involved in the activities of the Nigerian economy and thus encouraged the better legislations from the government and improved willingness by women to get involved in the financial sector of the Nigerian economy.

Table 9. *Drivers and Barriers to Financial Inclusion*

s/n	Questions	SD	D	A	SA	Total
1	Inadequate education is a major barrier to women involvement in the financial services sector	0	10	78	114	202
2	Financial institutions need to do more awareness of their products.	0	0	20	182	202
3	Banks and other financial institutions need to develop special products geared towards the women.	0	5	91	106	202
4	Financial inclusion is needed for economic growth of Nigeria	0	0	171	31	202
5	The quality of awareness from financial institutions on their services is satisfactory.	126	62	12	2	202
6	Financial institutions need to introduce local dialect in their customer service unit to cater for non-English speakers.	0	0	173	29	202
7	The Central Bank need to intensify effort towards financial inclusion and deepening.	0	0	163	39	202
8	The government needs to set up policy framework to enhance financial inclusion of women	0	0	5	197	202
9	Financial institutions should occasionally embark on street awareness/ road shows to market and create awareness about new products.	3	10	135	54	202
10	More women are needed in the financial sector so as to lower income inequality between men and women	0	10	153	39	202
11	Access to finance at an affordable price is principal to economic growth and financial inclusion.	0	0	187	15	202
12	The gender gap in financial inclusion is positively related to income inequality	0	0	14	188	202

In terms of the drivers and the barriers to financial inclusion, the table below showed that the major factor contributing to financial seclusion is the fact that banks failed to engage on more awareness of their services, the level of income inequality, lack of adequate education and gender gap and the lack of specialized banking products for the women. Specifically, 192 (95%) agreed that their lack of adequate education inhibit their ability to benefit from the products and services of the financial sector. In the same vein, 202 (100%) and 197 (97.5%) all indicated the need for more awareness of financial products to women and the need for specialized or customized products for the women so as to deepen the level of financial inclusion among the women. All of the participants also believe financial inclusion is paramount to the growth and development of the Nigerian economy. In light of these, the respondents believe the CBN and the federal and state governments need to do more than it is currently doing in order to deepen the level of financial inclusion in the country. Virtually all the respondents suggested the need for financial institutions to embark on street awareness of their products in order to keep women abreast of new products as how existing products work, so as to encourage women in taking advantage of those products and services. all the respondents also believe more women are needed in the financial services sector of Lagos State.

5. Summary of finding and recommendations

5.1. Summary of finding

The result revealed that most women are financially secluded in Lagos State as a result of inadequate level of education they have attained, as this reduces their level of understanding of different products and services being offered by the banks as well as their inability to make use of the mobile banking as well as internet banking as well despite the availability of these services and the fact that most of the respondents are aware of the mobile and internet banking services. Similarly, it was revealed that the older the respondents get, the lower their willingness to make use of internet or mobile banking, as the emergence of new products in that line is too sophisticated for them to understand, thus, they experience technical seclusion from the financial services. We can also see from the responses of the surveyed individual that they do have access to some financial services products in the form of loan, savings account opening, current account and other relevant form of account opening, with most of them indicating that ownership of an account with the bank has not helped them increase their level of savings nor has it help in intensifying their marginal propensity to save (MPS). Despite the fact that the banking hall is not far from most of the respondents, they found it very hard to transact at the banking hall because of the wait time required. With the inability of most of the respondent to make use of internet and mobile banking services, and the wait time required for presence at the banking hall, most of the respondents often choose to use other form of savings (keeping the money at home or the use of corporative society) at the expense of keeping their money at the commercial bank or buying of financial instruments. Lastly, the respondents indicated the need for banks to embark on more road shows (awareness) to showcase their products so as to breach the knowledge gap between women in Lagos State and their products and services, while at the same time, the government and central bank needs to intensify effort towards improving the level of financial deepening so as to improve women contribution to economic growth of Nigeria.

5.2. Policy implications of findings

Based on the findings of this study and literature reviewed, the following recommendations or policy implications were made:

- The major recommendation of this work is towards policy that encourages an increase in the proportion of the income saved by the women.
- Policy that re-orientates women about the benefits of financial sector is recommended.
- Lastly, policies that encourages financial service provider towards specialised products for women and intense awareness program so as to get more women from the informal sector into the formal sector is recommended.

6. Conclusion

The result revealed that most women are financially secluded in Lagos State as a result of inadequate level of education they have attained, as this reduces their level of understanding of different products and services being offered by the banks as well as their inability to make use of the mobile banking as well as internet banking as well despite the availability of these services and the fact that most of the respondents are aware of the mobile and internet banking services. Similarly, it was revealed that the older the respondents get, the lower their willingness to make use of internet or mobile banking, as the emergence of new products in that line is too sophisticated for them to understand, thus, they experience technical seclusion from the financial services. We can also see from the responses of the surveyed individual that they do have access to some financial services products in the form of loan, savings account opening, current account and other relevant form of account opening, with most of them indicating that ownership of an account with the bank has not helped them increase their level of savings nor has it help in intensifying their marginal propensity to save (MPS). Despite the fact that the banking hall is not far from most of the respondents, they found it very hard to transact at the banking hall because of the wait time required. With the inability of most of the respondent to make use of internet and mobile banking services, and the wait time required for presence at the banking hall, most of the respondents often choose to use other form of savings (keeping the money at home or the use of corporative society) at the expense of keeping their money at the commercial bank or buying of financial instruments. Lastly, the respondents indicated the need for banks to embark on more road shows (awareness) to showcase their products so as to breach the knowledge gap between women in Lagos State and their products and services, while at the same time, the government and central bank needs to intensify effort towards improving the level of financial deepening so as to improve women contribution to economic growth of Nigeria.

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