

EMPIRICAL EXAMINATION OF EXTERNAL BUSINESS ENVIRONMENT ON SOCIAL ENTREPRENEURIAL DEVELOPMENT: EVIDENCE FROM FAITH-BASED UNIVERSITY IN NIGERIA

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ABSTRACT

The goal of this research was to explore the perception of people concerning how the external business environment affects social entrepreneurship development and what can be done to improve the sector. This Study therefore identifies the perception of external business environment on social entrepreneurship development: a study of Covenant University, Ota, Ogun State. The study addressed problems on complex, rigid and inconsistent government policy, lack of access to finance and high cost of adopting a new technology. The Study sought to determine the influence of government policy, interest rate and disruptive technology on social value, social enterprise and social entrepreneur respectively. The study employed the use of systems theory and contingency theory and empirical literature on external business environment and social entrepreneurship was also discussed. The study made use of survey research design. The sample size using Taro Yamen Formula is 245 out of 633 postgraduate students. The data were collected using a stratified random sampling method and a structured questionnaire. SPSS and Linear Regression were used by these researchers to analyze data collected and also to analyze results. The result showed that there was no relationship between government policy and social value meanwhile there was a moderate relationship between interest rate and social enterprise and also a moderate relationship between social entrepreneur and disruptive technology. The study therefore recommends that social entrepreneurs should take advantage of other sources of assessing fund funds to finance the growth of their social enterprise; financial institutions should make funds easily accessible to social entrepreneurs with a low interest rate. The government should implement friendly fiscal and monetary policies to aid social entrepreneurship development in Nigeria. Social entrepreneurs should be abreast and adaptable to technological changes for the benefit of the organization.

Keywords: External Business Factors, Government Policy, Interest Rate, Disruptive Technology, Social Value, Social Enterprise, Social Entrepreneur.

INTRODUCTION

According to the National Bureau of Statistics (2020), about 83 million people in Nigeria live in abject poverty, with 40 percent of Nigerians living in abject poverty of 137,430 naira

(\$381.75) each year. Unemployment, insecurity, low education, high interest rates, inflation, political instability, and other social issues have contributed to this level of poverty.

The demand for social entrepreneurship has been reawakened as a result of this social challenge, making it a realistic phenomenon in Nigeria. The definition of social entrepreneurship is the identification of social problems and the application of innovative and entrepreneurial ways to provide solutions (Addou et al., 2010). It is important because it entails generating financial value and providing solutions to societal problems that the public and private sectors have failed to address. It employs a novel way to provide social value while simultaneously generating a substantial financial return (Luc, 2018).

In underdeveloped nations like Nigeria, social entrepreneurship is gaining traction due to the assumption that it may assist address social issues while also promoting economic development (Ugochukwu & Onuba, 2015). It can be seen as a booster of a country's social and economic development through bridging political, economic, and social divides (Tiwari et al., 2017).

The major goal of social entrepreneurship is not only to make money, but also to find solutions to social problems that add value to people's lives. It provides solution to societal concerns by developing innovative ideas that increase social value and continually seeking out new opportunities to help society as a whole rather than pursuing personal gain.

Social entrepreneurship does not operate in a vacuum. It operates in an environment that impacts it. The ability of an organization to adapt to changes in the environment affects its long-term viability to a considerable extent. When social entrepreneurship thrives, it does so in a supportive and long-term context. In Nigeria, a stable and favorable business environment supports social entrepreneurship to solve social needs, create social value through social innovations, and promote social change.

Government policy, economic recession, insecurity, competitiveness, environmental challenges, technological innovations, natural disaster, currency rates, interest rates, terrorism, and other external factors all contribute to the business environment (Obasan, 2014).

An organization's external environment cannot be controlled, but it can be managed. External threats and opportunities have an impact on the company, and its connection can be viewed as mutually reliant (Ifeoma et al., 2019). External environmental factors influence people's desire to engage in socially entrepreneurial activity (Ogbo et al., 2019).

According to Alabi et al. (2019), the external business environment can have a significant impact on the performance and structure of social enterprises. Without them it is almost impossible for a company to work efficiently. This is a major reason why organizations should build operational structures that will enable them to be innovative and adaptive to external changes. As a result, the success of any social organization is largely determined by how well it handles its external environment.

These elements should be thoroughly examined and comprehended in order to capitalize on the opportunities and avoid the threats associated with them in order to promote social entrepreneurship in Nigeria. Because social entrepreneurship has an impact on every sector of the economy, the government should be dedicated to establishing an environment that encourages entrepreneurial activity (Addou et al., 2010).

The explanation in their research that social entrepreneurship could be a way for boosting sustainable development. The importance of social entrepreneurship in addressing social issues and promoting long-term development. As a result, the essence of this research is to investigate

the perception of external business environment on social entrepreneurship development in Nigeria. This study will also offer recommendations for how to strengthen Nigeria's social entrepreneurship. In addition, systems theory and contingency theory will be used to describe the research topic.

LITERATURE REVIEW

Government Policy and Social Value

A policy is an agreement reached by groups of individuals, a business enterprise, or a governmental party on a course of action. Policies in the workplace can be classified as either internal or external. Internal policies direct how business operations are carried out. A company's owners and management set internal policies, also known as business policies, which determine the scope of operations (Oviatt & McDougall, 2005).

These business policies, however, are influenced and influenced by general government policies within the economy in which entrepreneurs operate. As a result, government policies are referred to as external and beyond the control of entrepreneurs in the economy. Here, government policies refer to laws and regulations that help entrepreneurs get started and succeed. Others have a direct effect on entrepreneurs. In addition, measures aimed at discouraging the importation of manufactured goods can serve to safeguard local businesses and promote entrepreneurship (Akinyemi & Adejumo, 2018). When it comes to entrepreneurship, government support agencies work to create a conducive environment for entrepreneurs. This is achieved by implementing policies that regulate entrepreneurship in general, as entrepreneurship is the bedrock of a country's journey to industrial growth. Existing government policies in any country have the ability to influence the operation and performance of every business (Alabi et al., 2019). Many laws and regulations are established by governments to guide enterprises. Changes in government policies, rules, and regulations would generally cause businesses to alter their operations. The competitiveness and profitability of enterprises are influenced by government economic policy and market rules. Federal, state, and local governments all have regulations that business owners must follow. The government has the ability to enact policies that alter company social behavior (Akinyemi & Adejumo, 2018).

Social value is seen as the positive contribution social entrepreneurs offer to solve social problems. Social value is also understood by solving a social problem or responding to urgent social needs. Social value is (Lubberink, 2019). It focuses on the resolution of a social problem, also associated with terms such as social change, social impact or social transformation. This social company promise and characteristic offer constitutes its proposal for social value. The social value created depends on the social entrepreneurs and their organization, their values, characteristics, abilities and capabilities. This value is created and shared with your organization's wider value network. That covers the broader ecosystem, staking parties (e.g. recipients, donors, institutions and trading partners) and social returns. Ademola et al. (2019) further explained that social value is an innovative solution to the social challenge which is more effective, efficient and sustainable than already existing solutions in which the value created mainly flows to the whole of society, instead of to private individuals. Social value benefits society by meeting social needs and challenges in such a way that is more than private gains and

general advantages of marketplace activity. Social value is the word that distinguishes social entrepreneurship from business (Chipeta, 2015).

Interest Rate and Social Enterprise

According to Olatunji and Ibukun-Falayi (2018) interest rate is another important part of economic policy that is heavily influenced by government directives. The Monetary Policy Committee, which meets monthly with the primary goal of selecting the exact level of interest to adopt in the country's economy, oversees this responsibility in Nigeria. Without a doubt, any decision they make will be felt immediately by enterprises in the country. Any increase in borrowing rates, for example, will result in a corresponding increase in business costs. It can also have a significant negative influence on consumers' purchasing power, resulting in a substantial drop in business sales volume. The interest rate is the cost of borrowing money, expressed in Naira per year and per naira borrowed. The main difference in interest rates is the term/maturity. Interest rate is defined by Jhingan (2003) as the price that equals the supply of credit or savings plus the net rise in the amount of money in the period to the demand for credit or investment plus net hoarding in the period. The interest rate, according to this definition, is the price of credit, which, like all other prices, is determined by the dynamics of demand and supply of loanable money. To begin with, interest rates as returns on financial assets serve as an incentive to savers, causing them to postpone current expenditure in favor of future consumption. In this scenario, the relevant interest rates are the deposit rates, adjusted for inflation. Second, interest rate impacts demand for and allocation of loanable funds because it is a component of cost of capital (Olatunji & Ibukun-Falayi, 2018).

As a private company in the public interest, social enterprise "is profit oriented and social purpose driven (Uchegara, 2019). Organizations like the Ashoka Foundation, the Schweb Foundation and the Skoll are the real examples of social companies in different countries that have carried out remarkable efforts to improve the positive image of social enterprise (Javed et al., 2019). A successful social enterprise must have two essential components: a sound business model and business competence (Timár, 2014). However, not all types of businesses can create social value, and not all values can be social (Putzer, 2018). "Social enterprise" is defined by the European Commission (2011) as: a) those businesses for which the social good is the primary reason for their commercial activity; b) those businesses whose profits are primarily reinvested to achieve this social good. c) Ownership systems that reflect the enterprise's mission, such as those that use democratic or participatory principles, or those that emphasize social justice.

Disruptive Technology and Social Entrepreneur

Disruptive technology dislocates a well-known technology by creating an entirely new industry. Disruptive technology creates new markets and re-forms existing markets, giving customers access, empowerment, convenience, option and value at their highest level. Disruptive technology challenges established business models and transforms products and services radically (Evans, 2017). The name "*disruptive technology*" was first introduced in 1995 in its article titled Disruptive Technologies: Catching the Wave by Joseph Bower (Harvard Professor) and Clayton Christensen (a businessman). They defined "*disruptive technologies*" as technologies that essentially differ from existing technologies, which are generally less complicated, accessible and less expensive. They explained the failure of leading firms to remain

at the top of their industries as technologies or markets change is one of the best patterns in business. Therefore, they must look beyond small or emerging markets to suit the functional demands of mainstream customers and concentrate on new technologies (Cheeseman et al., 2020). The Internet was disruptive, since it was not previous technology iteration. It was something new which created unique models that never existed before to make money and that generated losses for other business models. The restructuring of the book sales industry was a classic example of the disruptive innovation that the Internet unleashed. Amazon lost the big book selling chains because it showed its stock without having a physical store in every city and then sent the book to the home of the purchaser. When targeted customers start to accept the new customer's product that will lead to a competitive edge for the new entry, the perturbation could be assumed to occur. Evans, (2017) explained further that any technology that breaks down established techniques in creating an entirely new industry is disruptive. Disruptive technologies create new markets and reshape existing ones to ensure the highest levels of access, empowerment, convenience, choice and value for customers and end-users. The focus of disruptive technology is on establishing business models and transforming products and services in a radical manner. Disruptive technology creates new opportunities and innovations that more than ever before change the global economy and society. Organizations that understand and proactively act on the market changes are critical to business sustainability. In order to react quickly because of business environment changes that affect the business performance, the organization has to utilize information technologies (Ali et al., 2018).

Social entrepreneurs are often seen as individuals (or groups) who have identified a problem and then taken steps to solve it (Choi & Majumdar, 2014). Social entrepreneurs are described as change agents. Social entrepreneurs have a mission to build social value in addition to private value. As a result, they identify the importance of this mission and are constantly looking for new ways to fulfill it. Instead of being constrained by the resources available to them they are innovative, adaptable, and possess a learning mindset while acting courageously. There is a greater sense of accountability among social entrepreneurs to those they serve and to the outcomes they create (Ahuja et al., 2019). It is important to note that social entrepreneurs are people with an interest in solving social problems that have been overlooked by the market or government and who are motivated by a social mission and a desire to find innovative solutions. This means that social entrepreneurs must identify and offer innovative solutions to society's challenges (Dobeles, 2011). Using innovative approaches, social entrepreneurs identify and try to solve social problems in areas such as poverty and health care as well as education and the environment and migration. In many cases, social entrepreneurs' step in when the government and government services are unable to solve current issues (Iancu et al., 2021). Social entrepreneurs are usually people with a vision and financial resources that are committed to social change (Ogbo et al., 2019). They have also found evidence that social entrepreneurs are aiming at creating an innovation-supporting organisation, by promoting socially responsible cultures (Lubberink, 2019). Social enterprises are excited and passionate and are committed to a social mission that reflects their innovative mind and behaviour (Shin, 2018). Ademola et al. (2019) further explained that a social entrepreneur is someone or a group of people who are constantly innovating, adapting, and learning. Those who have been served have a greater sense of responsibility and ownership of the results. They are people who have strong ideas about how to bring about positive change and how to make those ideas a reality through creativity, skills, determination, and drive. Instead of pursuing monetary gain, social entrepreneurs are committed

to social change. Social economic value is created by creating practical and sustainable solutions to social and environmental problems. In order to make a positive impact on society, social entrepreneurs are committed to addressing societal and environmental issues and turning them into market opportunities. Chipeta (2015) reports that social entrepreneurs are driven to make a profit in order to meet societal needs while commercial enterprise creates added value for profits for the individual entrepreneur. That is the difference between social entrepreneurs and commercial entrepreneurs. Paul et al. (2012) views social entrepreneurs as innovative individuals who identify and exploit the opportunities that government does not sufficiently meet to accomplish social value by solving social challenges in the society.

THEORETICAL REVIEW

The theoretical review explains the concept of systems theory

The Concept of Systems Theory

The originator systems theory defined a system as a complex of interacting elements. The focus on interactions is one of the basic notions of general system theory. It focuses on the belief that an autonomous element's behavior is different from its behavior when the element interacts with other elements. It acknowledges that no organized company exists in a vacuum. It is well known to depend on a larger system, such as the industry to which it belongs, the economic system and society, its external environment.

Many approaches have been developed based on the theory of general systems. This research focuses more on open system theory. Open system theory examines the relationships between the organizations and their environment. This emphasis reflects the ability of companies to adapt to environmental changes. The concept that organizations are heavily influenced by their environment is simply called Open System Theories. The environment is composed of other organizations exercising various economic, political or social forces. The environment also provides the organization with important resources that support change and survival.

The survival of an organism with an open system, rather than a closed system. An organization that is not sensitive to its environment, for example, will hardly survive in the present situation. Things like technology, economic and social phenomena aren't static, but change, so organizations must be adopted for survival. The organization also gets its input from raw materials, works and processes through interaction with its external environment and, finally, sells or investment capital to its environment. Since the organization is regarded as living organisms, it is by its very nature an open system because it is dependent on its environment for its purposes to be developed, sustained and achieved. For an organization to be sustained in an open system, it needs to adapt, co-operate or coexist with the environment. As an open system, organizations must therefore take account of environmental factors when deciding or attempting to fulfill its objective. Therefore, without taking care of its environment, no such organization can prosper and excel (Robbins & Barnwell, 2006). Active adaptation is a constant change, for the organization and the changing environment. Any organization must have a limit as an open system. This boundary is very important because it indicates the organization's scope (Robbins & Barnwell, 2006). The boundary limits the organization for the sake of the organizations to take inputs from the environment. This may lead to a problem, as it is difficult to differentiate which members belong in which organization if the boundary of the organisation

is not clear or biased enough. The border needs to be permeable to allow interactions with the environment (input selections) to survive. Open system theory sees organisms as living organisms. In order to grow and survive, organizations as living organisms depend on their environments. The organization is at greater risk of death or disorientation without taking account of the environment. Environment is essential to a system because systems receive inputs and deliver environmental outputs. Thus, the environment can determine the life of a system in an open system.

MATERIALS AND METHODS

This study explores the perception of external business environment on social entrepreneurship development. External business environment was measured with government policy, interest rate and disruptive technology. Meanwhile, social entrepreneurship is the dependent variable and was measured with social value, social enterprise and social entrepreneur. The research design was chosen to be a descriptive research survey. There are 633 postgraduate students at Covenant University in Ota, Ogun State, who make up the population. The sample size was determined using the Taro Yamane Formula (1967), which accounted for 245 at a 5% level of significance. Covenant University was chosen because it has encouraged the development of social entrepreneurship through the Entrepreneurship Development Studies course taught in the university. Postgraduate students of Covenant University were chosen because they have more business experience and exposure and they have also been taught social entrepreneurship from the Entrepreneurship Development Studies course taught in the university. Stratified random sampling technique was employed in this study to ensure each stratum is represented in the sample and is more precise in showing the characteristics of the population. A population is stratified based on different characteristics of the population and a random sample is chosen from each stratum.

A total of 425 copies (91.84 percent) of the 245 questionnaires issued were returned. Using a five-point Likert scale, the questionnaire was designed in accordance with what is available in the literature. The administration of the questionnaire copies was handled by two study assistants. Two experts in the field confirmed the research instrument's validity, and Cronbach's alpha was used to determine the research instrument's reliability. To satisfy the ethical requirements, the respondents were informed about the study's goal, given anonymity, and the confidentiality of the information they supplied was assured. The data was analyzed using the Statistical Package for Social Sciences (SPSS) software version 25.0, which indicates the effect of the perception of the external business environment on the development of social entrepreneurship. In addition, as indicated by Kline and Tabachnick and Fidell, the essential processes for the analysis' assumptions were thoroughly examined to ensure the data's validity is till 2007.

RESULTS

Demographic Profile of Respondents

In this study the demographic profile of the respondents, presented distribution in terms gender, age, educational requirement and college.

The Table 1 highlighted the demographic distribution of the respondents made up of four sections. The first section displayed the gender of the participants who took part in this study. 107 participants were male with the percentage of 47.6% while 118 participants were females with a percentage of 52.4%. This showed that most of the respondents in the study were females.

The second section showed the age of the participants who took part in the study, 181 participants were in the age bracket of 21-30 with a percentage of 80.4%, 32 were in the age range of 31- 40 with a percentage of 14.2 and 12 were within the age range of 41-50 with a percentage of 5.3%. A great number of participants were in the age range of 21-30 years indicating that majority of the post graduate students are young and agile.

The third section revealed the highest educational qualification of the respondents who participated in this research, 177 participants have their B.Sc. degree with a percentage of 78.7%, 43 have their MSc/MBA degree with a percentage of 19.1% and 5 participants with a percentage of 2.2%. Obviously, majority of the participants hold a BSc. as their highest educational. Given these statistics, all the respondents were satisfactorily educated to be incorporated in the study sample.

		Frequency	Percent
Gender	Male	107	47.6
	Female	118	52.4
	Total	225	100
Age	21-30	181	80.4
	31-40	32	14.2
	41-50	12	5.3
	Total	225	100
Highest Educational Qualification	BSc	177	78.7
	MSc	43	19.1
	PHD	5	2.2
	Total	225	100
College	CMSS	103	45.8
	COE	55	24.4
	CST	19	8.4
	CLDS	48	21.3
	Total	225	100

The fourth section illustrated the college of the respondents who participated in this research, 103 participants are in the College of Management and Social Sciences (CMSS) with a percentage of 45.8%, 55 participants are in the College of Engineering (COE) with a percentage of 24.4%, 19 participants are in the College of Science and Technology (CST) with a percentage of 8.4% and 48 participants are in the College of Leadership and Development Studies (CLDS) with a percentage of 21.3%. A great number of participants were from the College of Management and Social Sciences (CMSS).

HYPOTHESES TESTING

Table 2					
MODEL SUMMARY OF HYPOTHESES					
	Model	R	R Square	Adjusted R Square	Standard error of the estimate
Government policy	1	.015 ^a	.000	-.0004	.68726
Interest rate	2	.413 ^a	.171	167	.54380
Disruptive technology	3	.424 ^a	.180	176	.60840
a. Predictors: (constantly), Government Policy, Interest rate, Disruptive technology b. Dependent Variable: Social Value, Social enterprise, social entrepreneur					

Three hypotheses were identified and analyzed using regression analysis in this study. The first hypothesis considers how government policies affect social value. Table 2 demonstrates that R implies a 0.015 link between government policy and social value, which is a very weak relationship. The table depicts the extent to which the independent variable (government policy) explains the variation of the dependent variable (social value). This is represented by the R square, which equals .000 and is stated as 0%. This demonstrates that government policy is responsible for 0% of the variation in social value. As a result, other factors not included in the model account for 100% (100 percent -0.00%) of the variation in social value. The error term is 0.68726 and the standard error estimate is 0.68726. As a result of this finding, government policy has no impact on social value.

The second hypothesis concentrates on the effect of interest rate on social enterprise. The result of Table 2 explains that R indicates .413^a relationship of interest rate on social enterprise which signifies a moderate relationship. The table shows the extent to which the independent variable (interest rate) explains the variation of the dependent variable (social enterprise). This is represented by R square, which equals .171 and is stated as 17 percent. This indicates that interest rates are responsible for 17% of the variance in social enterprise. As a result, additional non-model factors account for 83 percent (100 percent -17 percent) of the variance in social enterprise. The error term is 0.54380, which is explains the standard error estimate. As a result, the findings suggest that interest rates have a moderate impact on social enterprise.

The third hypothesis concentrates on the effect of disruptive technology on social entrepreneur. The result of Table 2 explains that R indicates a 0.424^a relationship of technology on social entrepreneur which signifies a moderate relationship. The table shows the extent to which the independent variable (disruptive technology) explains the variation of the dependent variable (social entrepreneur).

This is represented by R square, which equals 0.18 and is stated as 18 percent. This indicates that disruptive technology is responsible for 18% of the variation in social entrepreneurs. As a result, additional non-model factors account for 82 percent (100 percent -18 percent) of the variance in social entrepreneur. The error term is 0.60840, which is the standard error estimate. As a result of the findings, disruptive technology has a minor impact on social entrepreneurs.

	Model	Sum of squares		Df	Mean of squares	F	Sig
Government policy and social value	1	Regression	0.23	1	0.23	0.49	0.825 ^b
		Residual	105.328	223	0.472		
		Total	105.351	224			
Interest rate and social enterprise	2	Regression	12.430	1	42.033	42.033	.000 ^b
		Residual	60.326	204			
		Total	72.756	205			
Disruptive technology and social entrepreneur	3	Regression	18.097	1	18.097	48.893	.000 ^b
		Residual	223	223	0.370		
		Total	224	224			
Dependent Variable: Social value, Social enterprise, Social entrepreneur Independent Variable: Government policy, Interest rate, Disruptive technology							

From the first hypothesis, the ANOVA table shows that the F value is 0.49 at 0.825^b level of significance. The inference is that government policy does not have a significant influence on social value. From the result the null hypothesis was accepted because the significant value is above 0.05. Therefore, there is no significant influence of government policy on social value.

From the second hypothesis the ANOVA table shows that the F value is 42.033 at 0.000^b level of significance. The inference is that interest rate has a significant influence on social enterprise. From the result, the null hypothesis was rejected because the significant value is below 0.05. Therefore, there is a significant influence of interest rate on social enterprise.

From the third hypothesis the ANOVA table shows that the F value is 48.893 at 0.000^b level of significance. The inference is that technology has a significant influence on social entrepreneur. From the result null hypothesis was rejected because the significant value is below 0.05. Therefore, there is a significant influence of technology on social entrepreneur in Table 3.

	Model		Unstandardized Coefficients		Standardized Coefficients Beta	T	Sig
			B Error	Std			
Government policy and social value	1	(Constant)	4.084			37.490	.000
		Government policy	0.39	-	-0.15	-221	.825
Interest rate and social enterprise	2	(Constant)	2.736	.171		16.046	.000
		Interest rate	0.347	.054	.413	6.483	.000
Disruptive technology and social entrepreneur	3	(Constant)	2.219	.279		7.949	.000
		Disruptive technology	0.479	.069	.424	6.992	.000
Dependent Variables: Social value, social enterprise, social entrepreneur							

From hypothesis one the constant B which is 4.084 intercepts in the regression equation. This means that when government policy is at point 0, social value is 4.084. B value for

government policy is 0.39 which is the slope of the regression equation; every unit increase in government policy will lead to a 0.39 increase in social value. The table above shows that government policy does not have any effect on social value with the level of significance at 0.825. ($\beta = -0.15$; $t = -221$; $p > 0.05$). Since the significant level of the model is less than 0.05, the null hypothesis should be rejected. Hence, it can be inferred that government policy does not have effect on social value in Table 4.

In hypothesis two the constant B which is 2.736 intercepts the regression equation. This means that when interest rate is at point 0, social enterprise is 2.736. B value for interest rate is 0.347 which is the slope of the regression equation; every unit increase in interest rate will lead to a 0.347 increase in enterprise value. The table above shows that interest rate has an effect on social enterprise with the level of significance at 0.000 ($\beta = .413$; $t = 6.483$ $p < 0.05$). Since the significant level of the model is less than 0.05, the null hypothesis should be rejected. Hence, it can be inferred that interest rate has an effect on social enterprise.

In hypothesis three the constant B, 2.219, intercepts the regression equation. This makes for a Social Entrepreneur of 2.219, if technology is 0. B value for interest rate is 0.479, which is the path of the regression equation; every unit interest rate increase is 0.479. The table above shows that technology has a signification level of 0.000 ($\beta = .424$; $t = 6.992$ $p < 0.05$) on social entrepreneurs. The significant level of the model being less than 0.05 must be rejected as null hypothesis. Therefore, it can be concluded that technology has effect on social entrepreneurs.

DISCUSSION OF FINDINGS

The demographic profile of respondents shows that most of the respondent was female. This implies that this study was dominated by female however the findings also show substantial representation of male gender this means that both genders are well represented and free from gender biasness. Respondent within ages 21-30 years dominated the study although different age sets were fairly represented therefore; the findings of this research study did not suffer any form of unfairness in terms of age group. The educational qualification of the participants were mostly BSc degree holders which shows that most of the participant are educated which means that the participants who took part in the study were eligible to give relevant information needed to carry out the study. Lastly, most post graduate students of Covenant University from the College of Management and Social Science (CMSS) participated in the study, however all other colleges were fairly represented in the study.

From the empirical findings three hypotheses were identified and analyzed with the use of regression analysis. When the significant value in the regression analysis is less than 0.05 or less than 0.01 for 99% confidence level, the alternate hypothesis is accepted and the null hypothesis rejected and vice versa. The empirical findings are shown below:

Hypothesis one revealed that the relationship between government policy and social value is not significant, having a significant value of 0.825, a 0 percent R-squared and a 0.39 beta coefficient value. Therefore, the alternative hypothesis of a significant social impact on government policy is rejected and the null hypothesis is accepted. The result concluded that government policy does not have a significant influence on social value.

Hypothesis two revealed that there is significant relationship between Interest rate and social enterprise with significant value of 0.000, showing an R squared value 18% and a beta coefficient value of 0.347. Therefore, the alternate hypothesis which states that interest rate has a

significant effect on social enterprise is accepted and the null hypothesis rejected. This indicates that credit facilities with high interest rate affect the development of social enterprises. This result is supported by the findings of the research conducted by Ademola et al. (2019). Where it showed a strong relationship between interest rate and social enterprise. The research also recommended other sources of finance social enterprise can access. This result is also supported by research conducted. This research showed that there is a significant effect of credit from financial institutions on the private sector which social enterprises part is of.

Hypothesis three revealed that there is a relationship between disruptive technology and social entrepreneur with $R^2 = 0.479$ with significant value of (.000) which means that technology affects social entrepreneur. Therefore, the alternate hypothesis which states there are significant relationship between technology and social entrepreneur is accepted and the null hypothesis is rejected. Findings from this study means that disruptive technology affects social entrepreneur ability to manage the business. Therefore, if a social entrepreneur pays attention to the disruption in technology, performance in the business will increase.

This result is supported by the findings of the research conducted on the Effect of entrepreneurship development and disruptive innovation on economic growth. These findings show that disruptive innovations are interconnected with economic growth and entrepreneurial activity and therefore encourage business people to explore more ideas in businesses. This result was also supported by research conducted on disruptive technology and regulatory response: the Nigerian Perspective. The research found that disruptive technology has effect on businesses and therefore appeals for increased focus on the advantages of disruption.

Theoretically, the results of the research conducted is supported by the systems theory that accentuates that no enterprise can operate alone, it depends on a wider system as the industry to which it belongs, the economic system and society. This implies that an organization needs to adapt and cooperate with the environment if the organization wants to sustain its growth. Thus, environmental factors need to be taken into account when making decisions or efforts to achieve an organization's objective.

CONCLUSION AND RECOMMENDATIONS

The study centers on the perception of external business environment on social entrepreneurship development in Nigeria a study of Covenant University, Ota, Ogun State. Considering what has been discussed from previous chapters, it is important to note that the perception of people concerning how the external business environment on social entrepreneurship affects the development of the sector and the intention in getting into the sector. There is need to put into consideration that for social entrepreneurship to develop in Nigeria, external environmental factors like interest rate and disruptive technology need to be properly managed since they cannot be controlled. Managing these external environmental factors would reduce the risk and help harness the opportunities that come from them to the advantage of the social enterprise. Therefore, it is safe to say that the above the perception of external environmental factors have influence on social entrepreneurship development in Nigeria.

In order to improve social entrepreneurship, the following recommendation should be put in to consideration:

1. Social entrepreneurs can take advantage of other sources of assessing fund funds to finance the growth of their social enterprise.
2. There should be an establishment of a social enterprise industry body to advocate for social enterprise development.
3. The Nigerian government should create an enabling environment that would encourage social enterprise startups and foreign investors in the sector.
4. Social entrepreneurs should be abreast and adaptable to technological changes for the benefit of the organization.
5. Furthermore, financial institutions should make funds easily accessible to social entrepreneurs with a low interest rate. Finally, the government should implement friendly fiscal and monetary policies to aid social entrepreneurship development in Nigeria.

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