## SOCIAL ENTREPRENEURSHIP AND NATIONAL GROWTH IN SELECTED NON- GOVERNMENTAL ORGANIZATIONS IN RIVERS STATE

#### CHARLES WELE ENYINDAH PhD.

Department of Business Administration and Management, Kenule Beeson Saro-Wiwa Polytechnic, Bori, Rivers State

And

DAVIS OJIMA PhD.
Bursary Department
Ignatius Ajuru University of Education,
Rumuolemini Port Harcourt,
Rivers State

#### **Abstract**

This study investigated the relationship between social entrepreneurship and national growth in selected Non- governmental organizations in Rivers state. The study adopted a cross sectional research design. Quartette research objectives, questions and hypotheses were developed to guide this study. The sample size was obtained using the Krejice and Morgan table of sample determination (1970). Structured questionnaires were administered to collate responses from the respondents. The retrieved responses were analyzed using the statistical package for social sciences version 22 (SPSS). The analysis of data from respondents indicated that there is significant relationship between social entrepreneurship and National growth. It also indicated that the dimensions of the criterion variable and predictor variable positively correlated. The policy purport of this paper shows that Nongovernmental bodies (NGOS) should employ the tool of social mission and innovation to galvanized economic growth and enhance social entrepreneurship in Rivers state. This is pivotal in order to stimulate economic growth of this segment of the state and society which are termed the maim, disabled and invalid. Keywords: Social Entrepreneurship, Social Mission, Social Innovation, National Growth, Trade Openness.

## Introduction

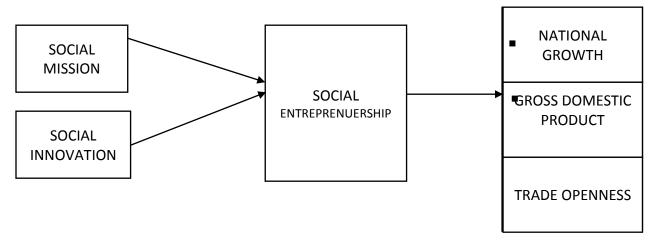
Economies of the world always aspire to expand the frontiers their nations. This is the undaunting quest of leaders of the hybrid of developing and developed economies of the world (to grow their gross domestic product). Divergent strategic operationalizations are employed to actualize this seeming utopism in economic realization. The growth of our economy of as nation is significant to varied stakeholders in the Nigerian economy. It is of interest to the government, citizens, corporate bodies, non-governmental bodies to mention but a few. This underscores the pervasive significance of national growth. When a nation is growing, the dividend transverses the spectrum of all sectors of an economy. Hence, the governments of the day strategies to perpetually expand grow and enhance the economy. It is the combination of the economic growth of the state economies and that of the nation that is construed nation growth.

The invalids who are integral part of the states and nations also have stakes in growth of their various states and nations. Hence are desirous of contributing their own quota in the developmental quest of their states and nations. Social entrepreneurship possesses the

formidable platform on which these invaluable contributions could be made. The economic contributions of the physically disabled can positively impact in the growth of an economy. It will also accord them a sense of belonging and fulfilment in the growth agenda of the various states and nations.

A plethora of studies abound (Light, 2008, Sharir and Lerner, 2006, Dees, 2001, Fower, 2000 and Perrini, 2006) on social entrepreneurship but there is none to the best of our knowledge on social entrepreneurship and national growth in selected non-governmental organizations (NGOS) in Rivers State. This is the identified gap in literature which triggers the researchers' interests. It is the gap which the researchers intend to fill.

## Review of Extant Literature Conceptual Framework



# Research Conceptual Model Social Entrepreneurship

Social entrepreneurship has been acknowledged as a novel type of entrepreneurship emerging around the globe which is predicated on social wealth creation rather than the generation of economic wealth as its main objective (Dees, 2001, Drayton, 2002, Leadbeater, 1997). A number of academics have claimed that social entrepreneurship activities have ample economic effects in enhancing growth, reducing poverty and enhancing larger scale social development (Yunus and Weber, 2008, Zahra, Gedajlovic, 2010). A hybrid of intensity and complexity of social and environmental problems have made social entrepreneurship prominent. In the public sector, social entrepreneurship is pertinent to an experimental turn in social policy and planning that has been taking place in European countries since the 1980s (Dees, 2001). Trio decisive macro-dynamics have been pinpointed in the emergence of social entrepreneurial activities around the globe. Prime of these, is the slowdown of the public offering of products and social services, which has contributed to an increase in needs not fulfilled (Light, 2008). This is particularly true for social welfare with respect to which public sector involvement is rather limited (Sharir and Lerner, 2006). The second is the existing disequilibrium in the distribution of income level in both emerging and developed countries has increased the need for a new paradigm and new business strategies" (Bornstein, 2004). For about dual decades, social entrepreneurs have also increasingly employed business strategies to grapple with problems and generate revenues.

Finally, the enhanced competition within non-profit sector to achieve donations and grants has led to the need to professionalize the activities undertaken with the objective of reducing financial dependence and this ensure their economic stability for the development of their social mission (Perrini, 2006). Social movements that have existed over the last few decades have begun promoting social entrepreneurship which includes Ashoka foundation (Billy Drayton), the Skoll foundation (Jeff Skoll) and Schwab Foundation (Hilde and Klans Schwab).

Social entrepreneurship is the creation of viable socio-economic structures, relationship institutions, organizations and practices that yield and sustain social benefits (Fowler, 2000). Social entrepreneurship that "creates innovative solutions to immediate social problems and mobilizes the ideas, capacities, resources and social arrangements required for sustainable social transformation" (Alvord, Brown and Letts, 2004).

Social entrepreneurship encompasses the activities and processes undertaken to discover, define and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organizations in an innovative manner "(Zahar, Gedajlovic, Neubaum and Shulman, 2009).

#### **Social Mission**

An individual's social mission brings to fore your purpose in life. It defines how your brand engages with employees, customers and other stakeholders to address social needs and connects people to something bigger.

Social innovation: This is a novel solution to a social problem that is more effective, efficient, sustain or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals.

Economic growth is an increase in the production of goods and services over a specific period. To be most accurate, the measurement met removes the effects of inflation. Economic growth creates more profit for business. Economic development is the expansion of capacities that contribute to the advancement of society through the realization of individual firm and community potential.

#### **Gross Domestic Product**

This is defined as the market value of all officially recognized final goods and services produced within a country in a given period of time. GDP is vital in an economy because it is used to determine if an economy is growing more quickly or more slowly.

Gross domestic product is a measure of the value of the goods and services produced in the Nigerian economy irrespective of who owns the factors of production used to produce those goods and services. Hence, it will realize that economic growth in GDP is synonymous.

#### **Theoretical Framework**

This research inquiry is predicated upon the duality of the following theoretical backdrops: The resource based view theory in (RBV theory of Barney, 1986 and human capital theory (HC) of Becker, 1964.

#### The Resource Based View Theory

RBV theory contends that a firm's competitive advantage lies in its stock of valuable resources (Dierickx and cool, 1989), be easily initiated or substituted by rival firms (Wernerfelt,

1984, Barney, 1986). Resources that thus enable and constrain the specific strategies of organizations (Barney, 1991). Another veritable resource that Barney (1991) identifies is the firms HC. Management theory further assets that HC is of ample relevance to a new firms' survival and early success (Stinchcombe, 1965, Beckman and Burton, 2008).

#### **Research Design**

It is the conceptual blueprint within which research is conducted (Adoweki, 2009). The research design for this study is quasi experimental. This is adopted when the variables in a study are not under the control of the researcher.

### **Study Population and Sampling Procedure**

A purposive/convenience sampling technique was adopted to select four non-governmental organizations whose staff strength is one hundred (100) and above. Premised upon these criteria, questionnaires were administered to managers, Accountants of the four (4) Non-governmental organizations. This is because these cadres of employees have access to information on the contributory impact of the operations of social entrepreneurship on national growth. The population of this is 100 employees. The sample size using Krejice and Morgan table of sample determination Table (1970) is 80 respondents.

## **Validity Test**

Validity can be opscribed ability of a measure what it is supposed to measure or what it purports to measure (Baridam, 2001).

Table 1: Reliability Result

S/No	Variable		Cronbach Alpha Result
1	SOCIAL MISSION	3	0.796
2	SOCIAL INNOVATION	2	0.913
3	GROSS DOMESTIC PRODUCT	2	0.824
4	TRADE OPENNESS	3	0.754

**Source**: SPSS Version 22

Presented in table 1 is the reliability result of the instruments utilized in measuring the variables. Evidence suggests strong reliability based on 0.70.

#### **Primary Level of Analysis**

**Table 2:** Descriptive Dimensions of social entrepreneurship

	N	Minimum	Maximum	Mean	Std.
					Deviation
Social mission	80	1.00	5.00	3.8421	0.97425
Social mission	80	1.00	5.00	4.0122	1.23471
Social mission	80	1.00	5.00	4.0341	0.92363
Social	80	1.00	5.00	4.2101	0.95241
innovation					
Social	80	1.00	5.00	4.0142	0.86542
innovation					
Valid N	80	1.00	5.00		
(Listwise)					

**Source**: SPSS Version 22

Presented in table 2 is the descriptive statistics for the two dimensions of social entrepreneurship (social mission and innovation). Data descriptive indicates average responses which reflect affirmation to participants' experiences and manifestations of social mission and social innovation in their respective organizations.

**Table 3 Descriptive Measures of National Growth** 

	N	Minimum	Maximum	Mean	Std. Deviation
Gross domestic product	80	1.00	5.00	4.0151	0.85401
Gross domestic product 2	80	1.00	5.00	4.1251	0.87246
Trade openness	80	1.00	5.00	4.0142	0.80142
Trade openness 2	80	1.00	5.00	4.0762	0.99224
Valid N (Listwise	80	1.00	5.00		

**Source**: SPSS Version 22

Presented in table 3 is the descriptive statistics for the two measures of national growth (Gross domestic products and trade openness). Data description indicated average reflection on the affirmative to respondents, their experiences and manifestations in these measures within their respective organizations.

## Hypothesis 1:

**Ho**<sub>1</sub>: There is no significant relationship between social mission and gross national product in selected NGOS

**Correlations** 

	Social Mission	Gross Domestic Product
Social Mission Spearman's rho	1.000	.879
correlate coefficient sig. (2-		
tailed)		000
	80	80
Gross Domestic Product	.867	1.000
Correlation coefficient Sig (2-		
taiiled) N	.000	
	80	80

**Source**: SPSS Version 22

Correlation is significant at the 0.01 level (2 tailed)

A proper evaluation of the results indicated in the table above that social mission exhibited a positive significance on gross domestic product (rho =. 867, PL 0.0l = 0.0000)

Hence, we reject the null hypotheses (because our P-value is less than 0.0). Social mission has a strong positive relationship with gross domestic product (GDP).

## **Hypothesis 2:**

**Ho<sub>2</sub>:** There is no significant relationship between social mission and trade openness in the selected NGOS

#### **Correlations**

	Trade Openness	Social Mission
Spearman's rho Trade openness correlation	1.000	.905
coefficient sig. (2-tailed) N		
	80	80
Social Mission Correlation coefficient sig. (2-tailed) N	.905	
	.000	
	80	80

**Source**: SPSS Version 22

Correlation is significant at 0.001 levels (2-tailed)

A proper examination of the results show in the table above, shows that social mission indicated a positive significance on trade openness (rho= 0.905, p<0.01 = 0.0000).

Hence, we reject the null hypotheses (because our p-value is less than 0.01). Social mission has a strong positive relationship with trade openness.

## **Hypothesis 3:**

Ho<sub>3</sub>: There is no significant relationship between social innovation and gross domestic product in the selected NGOS

#### **Correlations**

	<b>Gross Domestic Product</b>	Social Innovation
Spearman's rho Gross	1.000	.901
Domestic product		
Correlation coefficient sig.		.000
(2 tailed) N		
	80	80
Social Innovation	.901	1.000
correlation coefficient sig. (2		
tailed) N	.000	
	80	80

**Source**: SPSS Version 22

Correlation is significant at the 0.01 level (2 tailed)

A proper evaluation of the results indicated in the table above, shows that social significance on Gross Domestic product (rho = 0.901, p<0.01=0.000).

Hence, we reject the null hypotheses (because our p-value is less than 0.01). Social innovation has strong positive relationship with Gross Domestic Product in the selected NGOs

## Hypothesis 4:

Ho <sub>4</sub> : There is no significant relationship	between	social	innovation	and	trade	openness	in the
selected NGOS.							

	Trade Openness	Social Innovation
Spearman's rho Trade openness correlation	1.000	.894
coefficient sig. (2-tailed) N		.000
	80	80
Social innovation correlation coefficient sig (2-tailed)	.894	
	.000	
	80	80

**Source**: SPSS Version 22

Correlation is significant at the 0.01 level (2-tailed)

A proper evaluation of the results shown in the table above indicated that social innovation exhibited a positive significance on trade openness (rho = 0.894, p<0.01=0.000).

Hence, we reject the null hypotheses (because our p-value is less than 0.01). Social innovation has a strong positive relationship with trade openness.

## **Findings of the Study**

The findings of this study indicated the following that: social mission has a strong positive relationship with gross domestic product in the selected NGOS. This underscores the finding which indicated that social mission has the propensity of impacting on Gross Domestic product; social mission has strong positive relationship with trade openness in the selected NGOS. This finding is in tandem with the findings that social innovation affects gross domestic product in the selected NGOS in Rivers State (Fowler, 2000). It underscores the essence of innovation in the operation of social entrepreneurship. It also underpins the contributory purports in National growth and in the advancement of the economy of Rivers State; social innovation positively affects trade openness in selected NGOS in Rivers state. This is in congruency with Alvord, Brown and Letts (2004) and Yinus and Weber (2008).

## **Conclusion of the Study**

The study draws the following conclusions:

That social mission affects gross domestic product in the selected NGOS in Rivers state. This is attained by using the non-profit making opportunities to enhance gross domestic product.

That social mission affects trade openness in the selected NGOS in Rivers state. This is attained by ensuring that the activities/products of social entrepreneurship are marketed to those in need of them and in places/venues where the products are strongly solicited.

That social innovation affects gross domestic product in the selected NGOS in Rivers State. This purports that innovation in practice of social entrepreneurship will galvanize gross domestic product (GDP) in Rivers State.

That social innovation affects trade openness in the selected NGOS in Rivers State. This connotes that innovation in the operations of social entrepreneurship will enhance the

openness of trading activities in Rivers State. More products which have not been produced can emerge through this activity of social entrepreneurship in Rivers State.

## **Recommendations of the Study**

- Drawing from the above conclusions, the following recommendations are adduced:
- 1. The social mission should be utilized to enhance gross domestic product in selected NGOS in Rivers State.
- 2. That social mission should be employed to attain trade openness in the selected NGOS in Rivers state.
- 3. Those social innovations should be utilized to beef up gross domestic product in selected NGOS in Rivers State.
- 4. That social innovation should be employed in achieving trade openness in selected NGOS in Rivers State.

#### References

- Abdi, T.A. (2004). Machinery and Equipment investment and growth: Evidence from Canadian manufacturing sector: Department of finance working paper.
- Adofu, I. (2010). Accelerating economic growth in Nigeria, The role of foreign direct investment, current research, *Journal Bureau of Economic Theory* 2(1): 11-15
- Alvord, S, H., Brown, L.D & Letts, C.W, (2004). Social entrepreneurship and social transformation: An exploratory study. *The Journal of Applied Behavioural sciences, 40, 260-282.*
- Babatunde, M.A. & Adefabi, R.A. (2005). Long run relationship between education and economic growth in Nigeria's evidence from the Johnson's co-integration Approach. Paper presented at the regional conference on education in West Africa: constraints and opportunities, Daker, Senegal.
- Barney, J.B. (1986). Strategic factor markets. Expectations, luck and business strategy, Management Sciences, 32, 1231-1242
- Barro, R.J. (1997). "Economic Growth: cross country empirical study", Cambridge MA, MIT press
- Barro, R.J. (2003). "Determinants of economic growth in a panel of countries", Annals of economies and finance 4,231-274
- Barro, R.J. & Lee, L.W. (1994). Losers and Winners in Economic Growth. World Bank annual conference on development economies, 267-297.
- Bornstein, D. (2004). How to change the world: social entrepreneurs and the power of new ideas, USA: Oxford University press.
- Becker, G.S. (1964). Human capital Chicago: The university chigo press.
- Beckman, M. & Burton, D. (2008). Founding the future: path dependence in the evolution of top management team from founding to IPO. *Organization Science*, 19(1), 3-24

- Braunerhjelm, P. & Hamilton, S. (2009). Social entrepreneurship. A survey of current research, Swedish Entrepreneurship forum, working papers series from Swedish Entrepreneurship forum.
- DeGregirio, J. (1992). Economic growth in America, *Journal of development economies*. 39 59-84
- Dierickx, I. & Cool, K. (1986). Asset stock accumulation and sustainability of corporative advantage. *Management sciences* 35(12), 1504-1514
- Does, J.G. (2001). The meaning of social entrepreneurship. Stanford University: Draft report for the Kauffman, center for entrepreneurship leadership 6(9).
- Drayton, L. (2002). Applying sustainability indicators to the social enterprise business model. *International Journal of social economics*, 33 (7/8), 522-536
- Fowler, A. (2000). NGDOS as a moment in history: Beyond aid to social entrepreneurship or civic innovation? *Third World Quarterly*, 21(4), 637-654.
- Gordon, R.J. (2002). "Technology and economic performance in the American economy", NBER working papers 8771, National Bureau of Economic Research.
- Kalemli-ozcan, S. (2002). Does the mortality decline promoted economic growth? *Journal of entrepreneurship* 4(7), 411-439.
- Leadneater, C. (1997). The Rise of the social entrepreneur, London, Demos.
- Light, P.C. (2008). *The search for social entrepreneurship*, Washington D.C., USA. Brooklyn institution press.
- Ngozi, O.I. & Philip, O.K. (2007). Nigerian's economic reforms progress and challenges. The Brookings institution, 1775 Massachusetts Ave, NW Washington, D.C. 20036, Nigerian National Petroleum Corporation (2009). Annual Statistical Bulletin.
- Perrini T. (2006). Social entrepreneurship: Innovation and social change across theory practice. In J. Mair, J Robinson & K. Hockert (Eds), Social entrepreneurship (57-85), New York,
- Sharir, M. & Lerner, M. (2006). Gauging the success of social ventures initiated by individual social entrepreneurs, *Journal of World Business*, 41(1), 6-20.
- Stinchcombe, A.L (1965). *Social Structure and organizations*, In: J.G. Marched. Handbook organizations Chicago: Rand McNally and Company, 142-193
- Udeaja, E.A. & Obi, O.K. (2015). Determinants of economic growth in Nigeria: Evidence from error correction model approach, *developing country studies*, 5(9), 2015.
- Wernerfect, B. (1984). A resource-based view of the firm. *Strategic Management Journal*, 5(2), 171-180
- Yunus, A. & Weber, T. (2008). Social enterprise in the public sector. Met service. Thinking beyond the weather. *International Journal of social economics*, 33 (5/6) 432-445
- Yunus, M. (2010). Social entrepreneurship, New York, Public Affairs.

Zahra, S.A. Gedajlovic, E. Neubam, D.O. & Shielman, J.M. (2009). A typology of social entrepreneurs: Motives search processes and ethical challenges, *Journal of Business Venturing*, 24(5), 519-532.