

NON-GOVERNMENTAL ORGANISATIONS AND SOCIAL ENTREPRENEURSHIP GROWTH IN NIGER STATE OF NIGERIA

Mercy M. Adeyeye¹

Department of Entrepreneurship and Business Studies, Federal University of Technology, Minna, Niger State, Nigeria. email: memoade4real@yahoo.com

Abstract

Social entrepreneurship (SE) has become a vehicle for meeting the social needs of the disadvantaged through the activities of Non-Governmental Organisations (NGOs). The phenomenal growth in NGOs especially in the Niger State of Nigeria, and the corresponding rise deprivation among other social ills calls for a study into the relationship between NGOs and SE growth. In this paper, a framework is built in which NGOs employs the forms of parent-organisation, sources of income and others as determinants of SE. Through interviews and regression analysis, the study concludes that majority of the NGOs are not operating in the normal not-for-profit model that is independent of political control and interference. The implications of this development and the need to reorient NGOs as agents for boosting SE are elaborately discussed in the study.

Keywords: Developing countries; Entrepreneurship; Nigeria; Non-Governmental Organisations (NGOs); Social entrepreneurship.

1. Introduction

There is the recent development in entrepreneurship as an emerging field, social entrepreneurship, which reveals that life is not only about making money but also in doing good. In about 50-100 years ago, entrepreneurship was dominated with the idea of titans. Titan is the perception and philosophy of entrepreneurship that lays emphasis on maximization of profits, that is, hardcore capitalism. These ‘entrepreneurs’ who were titans in some of the commodity industries like oil, steel and gas were at the forefront

¹ Mercy M. Adeyeye is a senior lecturer in the Department of Entrepreneurship and Business Studies in the Federal University of Technology, Minna. Her research interest is in entrepreneurship, innovation, social entrepreneurship and corporate entrepreneurship.

of entrepreneurship but not necessarily innovative. Subsequently in the 1980s and 90s, there was more inclination to the concept of innovation based on Schumpeter's theory of innovation that is focused on newness and uniqueness. Prominently were men like Steve Jobs and Steve Wozniak with Apple Computer, who broke the boundary of entrepreneurship. They proved that apart from the motivation to make money, ideas and design, and great product could be used as a means to change the world through innovation. Thus a pace was set that entrepreneurs can actually create organisations to do good in the world because life is not just about profits maximization. An entrepreneur can offer a social benefit for the community from the business that is created (Alberto, 2014).

More than that, an entrepreneur can possess the vision and passion to exercise the entrepreneurial behavior for non-profit reasons where the economic and political institutions have failed. The instrument to drive this vision is the Non-Governmental Organisations (NGOs). However, the declining role of government, especially in Nigeria has led to the alarming rate of growth of NGOs generally (Vakil, 1997; Ogunyakin, 2012) to meet the social needs of the poor. For instance, in 2009, there were 46,000 registered NGOs in Nigeria (Corporate Affairs Commission, 2009) and 136 functional NGOs in Niger State (Ministry of Youths and Sports Development, 2015). They got involved with the provision of various social services that could be humanitarian and social rights; Community health awareness and promotion; Education: training for skill acquisition and motivational talks; Emerging health crises; Community social problems; Environmental and Policy advocacy; Social transformation, Human rights, conflict resolution advocacy; gender issues, youth, children and the children with special needs and development (Lewis, 2009; Ball and Dunn, 2013). Most prominent in Niger State is training for skills acquisition and motivational talks and community health related issues. Nevertheless, in spite of the proliferation, they seem to have little or no impact on the societal needs and the poor masses.

NGOs generally depend on funding from philanthropists, parent organisations, endowments, grants, subsidies, donations, fees among others (Ngeh, 2013; Ogunyemi, 2012; Omofonmwan and Odia, 2011; Davis, Jegede, Leurs, Sunmola and Ukiwo, 2011). They often work with voluntary staff to manage their operations which pose the challenge of staff turnover especially in developing economies where there is no unemployment benefit and pensioners are poor (Adeyeye, 2013).

Social Entrepreneurship has a significant impact on the lives of the citizens in developed and developing countries. Previous studies on this subject in Nigeria (see Moses and Olokundun, 2014; Ogunyemi, 2012; Davis et al., 2011; Omofonmwan and Odia, 2011) focused on either Social entrepreneurship or NGOs but none has considered whether a relationship exists between social entrepreneurship and NGOs in Nigeria hence the need for this study. In particular, there is no evidence of state level research on the link between SE and NGOs. Therefore, extending on previous research, this study draws on

social innovation (Anderson and Dees, 2006) and social enterprise theory (Massarky, 2006) to examine the relationship between the NGOs' and social entrepreneurship in Niger State. In doing this, the following research questions are addressed:

(a) What is the relationship between NGOs parent-organisation and Social entrepreneurship growth in Niger State?

(b) To what extent are NGOs social missions in Niger State related to Social entrepreneurship growth?

This paper contributes to the literature on social entrepreneurship in developing countries by providing a better understanding of the NGOs that are associated with social entrepreneurship in developing economies. The result of the findings shows that most NGOs have the government, political parties, and religious organisations as parent-organisations. This implies that their social mission is to promote and propagate their ideologies and beliefs rather than solving social problem. Hence, there seems to be no relationship with between the NGOs parent-organisations as well as their social missions and the growth of SE in Niger State.

The remaining part of the paper is organized as follows: in section 2 and 3, we review the literature on social entrepreneurship and the theoretical perspectives in developing countries. Section 4 discusses the research methodology and context. In section 5, the findings and discussion of the results are presented. Section 6 concludes and highlights the implications for policy.

2. Literature review

Social entrepreneurship is a novel mix of opportunities, challenges, ideas and resources in pursuit of potentially explosive (non-financial) rewards of furthering a social good and meeting social needs through risk-bearing innovations (Brooks, 2005). However, social entrepreneurship is challenged by various definitions just like the mother concept, entrepreneurship, with diverse conceptual framework and limited empirical data and gaps in literature, especially in developing economies (Martin and Osberg, 2007). Dees (2001) argued that social entrepreneurship is associated completely with non-profit organisations that are venturing into a 'not-for-profit' or 'earned-income' organisations to deliver social value and bring about change. They are immersed with the desire for an outcome that has social impact and not the income. They are to be answers to the market failure that attaches less value to social improvements, provision of public wares and rendering assistance to people who cannot afford payment for needed services (Dees, 2006). Market failure occurs, perhaps, due to three apparent reasons: lack of market at all (the beneficiaries are poor and cannot afford payment), or limited market (inability to pay full cost) or low-profit market/non-maximization of profit market (ability to pay full cost). However, this act must be carried out by either a group of social entrepreneurs or

social entrepreneur. Thus the social entrepreneur (s), the main actor(s) in entrepreneurial activities with a social goal (GEM,2013) responds by exploiting the market opportunities (Wolk, 2007) without anticipating or organizing to obtain a substantial financial benefit for the financiers or stakeholders (Martin and Osberg, 2007) to achieve the goal.

Mair and Marti (2006) further described social entrepreneurship as an innovative model of providing products and services that cater for basic needs (rights) that remains unsatisfied by political or economic institutions. However, Austin, Stephenson and Wei-Skillern (2006) perceived it as an innovative, social value-creating activity that can occur within or across the non-profit, businesses or governmental sectors. Therefore, the key concept of social entrepreneurship as in entrepreneurship generally, is the identification of opportunity for unsatisfied social needs rather than business – needs. This is done by introducing a new or improved product, process, distribution outlet, methods of organisation, or new supply source of raw materials (Schumpeter, 1934) for activities that create social value, by a non-profit organisation which is not limited to just a local context. Growth is inevitable to entrepreneurship because it is one of the key elements that distinguish entrepreneurial organisations from non-entrepreneurial organisations. Social entrepreneurship can be encapsulated as the introduction of innovative solutions to improve the social wellbeing of the disadvantaged people without a profit /selfish motive without being limited to a local context. In order to demonstrate this social entrepreneurial behaviour, there is a gap for drivers of entrepreneurship, hence, NGOs are perceived as one of the drivers of social entrepreneurship.

2.1 Drivers of social entrepreneurship

Social entrepreneurship is carried out by public organisations, private organisations or the civil society, which is referred to as Non-Governmental Organisation (NGOs). NGOs are one of the main drivers of social entrepreneurship globally including Nigeria. The NGOs in their formation range is from small informal groups to large formal agencies (Ball and Dunn, 2013). There is a recent trend of many NGOs springing up as an attempt to meet the social needs of Nigerians.

The term NGO emerged in 1945 in the formation of the United Nations (UN) as an award to some initial none state organisations (that is, the less developed countries) that were assigned the consultative status in UN activities (Mostashari, 2005). NGOs are the main third sectors on the stage of development, humanitarian actions, human rights and many facets of public activities. They are prominently identified by their different but interrelated activities classified by World Bank into delivery of services to people in need, organizing policy advocacy, social transformation and so on (Lewis, 2009). NGOs have various puzzling titles, for instance, in USA, they are referred to as ‘not-for-profit’ organisation while in UK they are addressed as ‘voluntary organisations’ or ‘charities’.

In recent times, NGOs has become a generic name in both developed and developing economies. Northern NGOs (NNGOs) denote those that originated from industrialized countries while Southern NGOs (SNGOs) to the ones from the less developed countries of the world (Mostashari, 2005; Ball and Dunn, 2013). All these have a social mission in view, but our understanding is limited about which of these NGOs is social entrepreneurship.

A framework is developed to explain whether the rapid growth of NGOs can be associated with SE growth in Nigeria. The study drew from previous studies (like Vakil, 1997; Ogunyakin, 2012; Ball and Dunn, 2013; Moses and Olokundun, 2014) to extract certain variables to establish the relationship between NGOs and SE growth as shown in Figure 1.

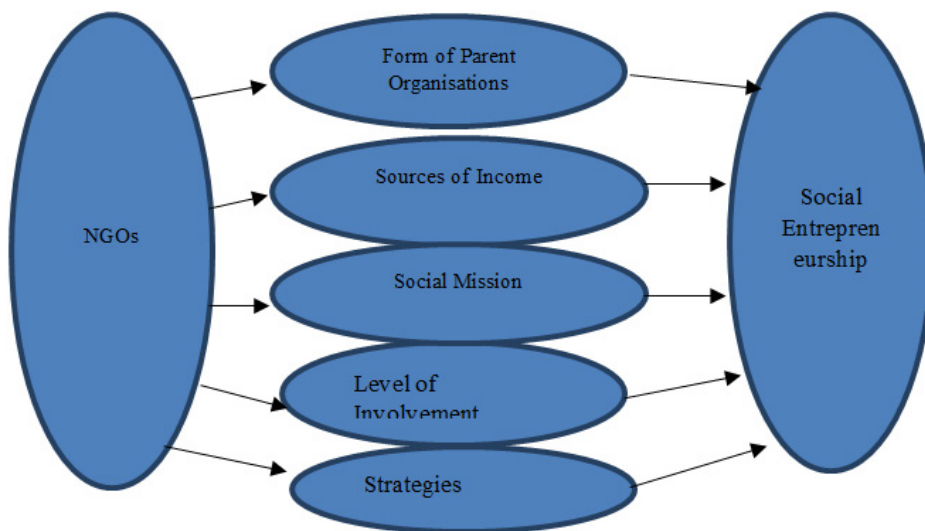


Figure 1: Framework of determinants of NGOs as SE

Source: Authors Fieldwork

The framework above shows the variables that the features should distinguish an NGO that is a social entrepreneurship from those that are not. The variables are the form of parent-organization, that is, the initiator/ founder which is directly related to the variable, source of income and social mission. Other variables of relevance according to literature are level of involvement and strategies (Ball and Dunn, 2013) employed to drive the vision for growth and sustainability. Most previous studies considered these variables independently with NGOs but this study attempts to link them with the growth of social entrepreneurship and the place of NGOs in solving societal problem in the Niger State context.

Throughout the literature review, the most critical point is to appraise the previous studies and identify the gaps. I have not seen that so far in your literature review. Most of what you have written so far is good, but mainly definitional and lacking in analysis

2.1 Social innovation and social enterprise strategies

There are many strategies that can be employed in operating a sustainable social entrepreneurship but this study focuses on two modus operandi. First is the social innovation school of thought based on Schumpeter's (1934) theory that centres on the 'social entrepreneur'. He is a mission-driven individual that demonstrates his entrepreneurial behavior by establishing a new and better ways of addressing the social problems (Dees and Anderson, 2006; Young 1983). In other words, this strategy offers of solution to social problems by introducing new/improved product, process, source of raw material, organisation or opening of a new market. SE creates unique resources to produce new social wealth or enhances existing resources with potentials for a social value (Drucker, 1985).

Second is the social enterprise school of thought that emphasizes on the 'enterprise' as a not-for-profit organisation that generates subsidiary 'earned- income' for support, beside grants and subsidies to satisfy un-met needs (Massarsky, 2006; Skloot, 1983) that the state welfare system will or cannot meet (Thomson et al., 2000). Precisely, it is the use of commercial initiatives to deliver a 'not-for-profit' social mission. Building on these theoretical bases, social entrepreneurs must include innovation in the quest to meet social needs or/and employ business methods to solve social problems for effectiveness, efficiency and sustainability of the social mission. Hence, this study focuses on the two strategies commonly used in social entrepreneurship (Defourny and Nyssens, 2010). It becomes inevitable for NGOs to adopt certain strategies to approach the social problem for sustainability and growth of SE. Nevertheless, most previous studies on NGOs do not give attention to entrepreneurial strategies adopted for the NGOs. The choice of the strategy to employ is more or less dependent on the form of parent organisations.

2.2 The NGOs and parent organisations

NGOs are "self-governing, private, not for profit organisations that are geared to improving the quality of life of the disadvantaged people" (Vakil, 1997:2060). They are citizen-based association that operates independently of government as the name connotes, to serve some social purpose. They are voluntary, autonomously managed, not for personal profit and not aimed at self-service and other related values (Ball and Dunn, 2013). They work with and for disadvantaged people through their projects or programs. Nigeria with the population of about 160m (National Population Commission, 2011) have more than 70% of its citizens living below the poverty line despite having about 46,000 registered NGOs (Corporate Affairs Commission, 2009) (whether passive or active) in Nigeria and 136 functional in Niger state (Ministry of Youth and Sports Development, 2015) for humanitarian services. The World Bank classifies them into two,

operational NGOs which targets are development of projects while promotional NGOs are concerned with promoting a cause. They are found in care and welfare; community health promotion, emerging health crises, education and training, community social problems, environmental, economic, women, youth, children issues, internally displaced people, community development and so on (Ball and Dunn, 2013). For instance, these all work to make a social impact but the actual impact is not felt in the society as much as on the initiators of the NGOs. Thus, it becomes imperative to investigate the effect of the founding organisation of NGOs on the growth of social entrepreneurship.

Furthermore, NGOs are organized by different bodies referred to as parent organisations. Some parent organisations could be another NGOs, or Government organized NGOs (GONGOs); Business Organized (BONGOs); Political organized (PONGOs); Funder Organized NGOs (FONGOs); Religious Proselyting groups (RONGOs), Fraudulent NGOs that are set up for personal gains (that is, phoney private companies NGOs, Mom and Pop NGOs, Briefcase NGOs) (Lewis, 2009). Only NGOs that are organized by another NGO can be referred to as social entrepreneurship (Ball and Dunn, 2013). Suffice to state that the source of income is much dependent on the parent organisations.

For instance, Oxfam is a registered charitable organisation (NGO) in UK while Amnesty International is another. On the one hand, Oxfam discharges its mission exclusively on humanitarian ground. On the other hand, Amnesty international discharges its humanitarian service with a political undertone (Ball and Dunn, 2013). Oxfam is therefore accepted as a social entrepreneurship while amnesty international is not. So also in Nigeria, “the Committee Encouraging Corporate Philanthropy (CECP)” is a charitable organisation for “ACT (Attack Cancer Totally)”. They are doing great in Nigeria but they are not charity organisations because it is identical to Amnesty international. There is political involvement in their mission. Consequently, the sources of income will be political. Therefore, this research addresses the question: What is the relationship between the NGOs parent organisations’ in Niger state and Social Entrepreneurship growth?

2.4 Social entrepreneurship and social missions, social involvement and strategies

There is the need to clarify certain social missions that have some similarities with social entrepreneurship but are not. First is the corporate social responsibility (CSR) which is the activity of corporate organisations in relating their operations and policies to the social environment to meet social needs in ways that are mutually beneficial to the company and the society (Wehrich and Koontz, 2005: 45). The Company is a fictitious entity providing social benefits to the government, charitable organisations, community and educational institutions and so on but with the hidden motive of getting back what has been invested one way or the other from the community. Also, a social service provider is motivated by humanitarian reason to donate tangible and intangible resources for the betterment of the needy group or community (Morris, Kuratko and Covin, 2016). Furthermore, social activists are supporters of causes and initiatives that are worthwhile

for human rights. Though these groups are involved in social missions nevertheless their activities cannot be classified as social entrepreneurship (Curkier et al., 2011).

A social entrepreneur is directly involved in an action to exploit opportunity found in the social needs of a niche or community, thereby creating a new means of satisfaction, maintains equilibrium and does not remain local but expands beyond a certain locality. A social activist is indirectly involved by influencing others to create new means of facing a social challenge and also maintaining equilibrium. A social provider or philanthropist is also directly involved in the social action aimed at improving the result of the present equilibrium. A corporate organisation is a fictitious person thus it is an indirect involvement in meeting social challenge and improving the outcome of current market (Dees, 2001). Thus, for a NGO social service to be classified as social entrepreneurship there must be direct involvement, newness in the means of satisfying the disadvantaged, maintain equilibrium and growth.

Furthermore, a social entrepreneurship involves seeking strategies that will enable the accomplishment of its mission. For this study, the social innovation and social enterprise strategies being the most often used because of its ability to sustain the social entrepreneurship beyond donations and contributions. Hence, the research questions to be addressed are: To what extent are other social missions, social involvement and strategies in Niger state related to social entrepreneurship growth?

3. Research context

The study was carried out in Niger State, in the middle-belt of Nigeria. Niger State shares boundary with Abuja, the political headquarter of Nigeria. It is the largest state in the country by square meter but 11 in population ranking. The state capital is Minna, and other major cities are Bida, Kontagora, and Suleija. The population is about 4.6 million and ranked 22nd in both youth and adult literacy from the top (National Statistics Bureau, 2015). The state has two of Nigeria's major hydroelectric power stations, the Kainji Dam and the Shiroro Dam with several Federal institutions (educational, financial and so on). It is not in the core Northern arena of battles but a place of refuge for escapees seeking for security. Niger State is one of the most peaceful places harboring many civil servants, businessmen and women that are working in Abuja. Niger state was selected for this study because of its facilities and less of the extraneous challenges attached to some Nigerian studies. However, it is dominated by poverty due to the indigenes attachment to their traditions as rural dwellers. This virtue led to many NGOs springing up day by day but with little or no visible improvement. This challenge motivated the researchers to investigate into the relationship between NGOs and SE growth in Niger State, Nigeria.

4. Methodology

The sampling frame was drawn from the database of a survey-based secondary data source from Research and Development Department of the Niger State Ministry of Youth Empowerment and Sport Development (2015). Saunders, Lewis and Thornhill (2012) asserted that secondary data enables the possibility of analyzing larger data sets, quicker and often of higher quality than with primary data for a cross-sectional study. The reliability of a secondary data is based on the authority or reputation of the source. Saunders et al (2012) argued that survey data from government organisations are likely to be reliable and accurate. However a reliability test result conducted on the extracted data was 78%. Thus the source of this data is perceived to be reliable for the purpose of the study. Since no existing data set has all the information of the research interest face-to-face and phone calls interview of the managers/founders of the NGOs in Niger State was conducted to enable us obtain qualitative evidence about the variables to triangulate the initial coding. The unit of analysis is the 'firm level', as used by most previous authors that studied social entrepreneurship or NGOs (Lewis,2011; Davis et al., 2011). The result is presented at $P<.05$ which is the conventional level of significance.

4.1 Dependent Variable

4.1.1 Social entrepreneurship growth

The measurement of the dependent variable, Social entrepreneurship growth, in this study relied heavily on extensive review of literature which refers to SE as the introduction of innovative solutions to society's most pressing social problems and the social wellbeing of the disadvantaged people without a profit or selfish motive (Bornstein, 2004). Thus, growth is measured by NGOs expansion into new market/ places in Local Government, State, or internationally. Firms with not applicable (N/A) were rated '0' while those with number(s) of new markets '1'. Furthermore, Liebermann and Montgomery (1998) argued that expansion is one of the significant variables to gain acceptance in marketplace. Growth is inevitable in SE. An NGO whose social impact does not expand out of the local area is restricted to just a local population, unable to project beyond the available resources and obviously will have limited influence on the target hence it is unentrepreneurial in nature. To measure social entrepreneurship, this index has been considered a useful measure of growth, that is, new NGOs expansion rate (Schumpeter, 1934; OECD/EUROSTAT, 2005). Hence for the purpose of elaborations and enhancement, 4 items were employed to describe and collect data for 'growth' in terms of innovation as commonly used in a number of innovation studies, as a measure of innovative activities and growth. The KMO was .78 and Bartlett's Test of Sphericity was highly statistically significant at the 1% level. This supports the factorability of the matrix with eigenvalue exceeding 1, which explained a total variance of 76.9% thus summarizing the large variables and translating them into small numbers by ruling out

multicollinearity. These four items were subsequently transformed into one dependent variable, social entrepreneurship growth.

4.2 Independent Variables

4.2.1 Parent-organisation and sources of income

Parents'-organisation of an NGO is very significant to its *modus operandi*. It has impact on the vision, mission, social values, sources of income and even the strategies to undertake for the social service (Ball and Dunn, 2013). There were 7 items for the type of parent organisations and 7 items for the sources of income. An NGO can score either '0' or '1' because an NGO can only belong to a parent organisation and either '0' or '1' for the main source of income. Furthermore, the form of parent organisation is positively and directly related to the source of income (Bornstein, 2004).

4.2.2 Social mission, involvement and strategies

There are three groups of measures in this section. The mission of the NGOs is measured with 6 items, strategies measured with 4 items and levels of involvement in creating social value are measured with 2 items, indirect or direct (Dees, 2001). The total score ranges from minimum of '0' to maximum of '6'. SE is directly involved in creating a new and sustained equilibrium while others like the social activists, social service providers and corporate bodies doing corporate social responsibilities (Dees, 2001) are not.

4.3 Control variable

4.3.1 Provision of social services

The social value created by NGOs is in form of provision of social services. This is a significant factor that has impact on NGOs' successful performance thus any systematic effect is accounted by controlling for it. Such social services could be for humanitarian (anti-poverty and social rights: orphanage, scholarship, clothing, books, financial etc.); Community health promotion (dietary, family planning etc.); Education: training for skill acquisition and motivational talks; Emerging health crises (Cancer, VVF, Ebola etc.); Community social problems (HIV, drug abuse etc.); Environmental (provision of boreholes, roads etc.); Human rights, conflict resolution advocacy (free court service, press etc.); gender issues, children disabled and development. Social value creation was controlled for in this study to avoid the tendency of interfering with the result and complicating its validity to become extraneous. This will also assist in minimizing probable distortions of the estimated outcomes of the study.

4.4 Sample and sampling technique

The sample frame was drawn from the database of all non-commercial organisations in the Niger State Sports and Youth Development. All commercial and non-commercial organisations in Nigeria must be certified by the Corporate Affairs Commission (CAC) for incorporation. Thus, all incorporated clubs, associations and NGOs must be registered with the State Ministry of Sports and Youth Development after incorporation. The study has 196 registered NGOs in Niger State, Nigeria. Data collection was done between November, 2015 and January, 2016. The Census-based method was adopted to enable all the samples to be analyzed for a robust result. A total of 136 NGOs were valid for analysis as some were just nominal. Thus, it can be classified high enough for generalization. The data was analyzed using Pearson-Moment Correlation and Multiple Regression.

5. Results and discussions

5.1 Descriptive statistics

Descriptive statistics allows researchers to understand the general patterns in the data by using frequency distributions before undertaking regression analysis. It presents a brief profile of the sample of 136 NGOs surveyed in Minna, Niger State. Table 1 presents the summary statistics of the data.

Table 1: Distribution of respondents by Parent Organisations

	Frequency	Percentages
Government (GONGO)	28	20.6
Business/Unions (BONGO)	8	5.9
Political (PONGO)	54	39.7
Philanthropists	7	5.1
Religious (RONGO)	20	14.7
Phoney Privates (PPONGO)	17	12.5
Other NGOs	2	1.5
Total	136	100.0

As shown in table 1, the majority of NGOs are politically organized (39.7%), followed by Government organized (20.6%), Religious (14.7%), Phoney Privates (12.5%); Businesses/Unions (5.9%) and other NGOs (1.5%). This shows that majority of the NGOs are governmentally and politically organized. In line with the definition of NGOs

they do not need to be heavily influenced by the political elite or the government. However, there are reasons for their existence and being organized in the very unique Nigerian setting. During the qualitative interview, a coordinator claimed that NGOs usually sprang up at the time of campaign and election. Thus, the NGOs are perceived as agents to promote the political ideologies and interests. Next, are those organized by the religious organisations. According to Davis et al. (2011), their aim is to win converts into their various religious groups. In some other African countries the Phoney Privates are predominant, these organized NGOs to attract funds to enrich themselves rather than the purpose for which it is required. Hence, the findings of this study defer from such countries for instance, as stated in Gambian Daily Observer (2016:1)

“Time was when youth work was an honor carried out by self-less volunteers for the common good. Now we have high-flying philanthropists’ raising funds in the name of Gambian youths only to be used for their own foreign travel and meaningless workshops meant for the eyes of the media, to be leveraged for further funding in continuation of the same unethical process”.

In Niger State, such Phoney groups are not many, however, only 1.5% of NGOs in Niger state have other NGOs as their parent organisations. Thus, according to Ball and Dunn (2013), it can be concluded that only 1.5% of the NGOs in Niger state can be associated with social Entrepreneurship growth.

Table 2: Distribution of respondents by sources of income

	Frequency	Percentages
Founders, contributions, levies etc.	21	15.4
Philanthropists	8	5.9
Donations, Fundraising	8	5.9
Govt. (tax., fines etc.), political parties, subvention	78	57.4
International Bodies/ collaboration	10	7.4
Business Enterprise	7	5.1
Generated income	4	2.9
Total	136	100.0

The table 2 above shows the percentage distribution of the NGOs according to the sources of income. The study shows that 57.4% of the NGOs obtain sponsorship from the government, while 15.4% are from founders’ contributions and levies. Only 5.1% obtains income from business enterprises and 2.9% generate income from other sources. Social entrepreneurship is supposed to fill the gap that the economic and political market has left unfulfilled (Martin and Osberg, 2007). If the same economic and political

institutions still sponsor the NGOs, it implies that it is just a change of nomenclature not actually a social entrepreneurship. Moreover, the United Nations recognized virtually all form of private bodies as NGOs if, and only if, they are independent of government control. The common adage says “he who pays the pipers dictates the tune.” Therefore, if the government and political parties are the financiers, then they are not independent of government and political control. Thus, majority of the NGOs in Niger State are neither to be referred to as NGOs nor even a social entrepreneurship. They cannot fulfil the social purpose as expected.

5.2 Correlation analysis

The result of the Pearson’s-Moment correlation matrix is used to identify the strength and direction of relationship (Bryman and Cramer, 2003) between SE growth and the explanatory factors, and interrelationships among them as shown in Table 3. Preliminary analyses were performed to guarantee that no contravention of normality, linearity and homoscedasticity is in the data (Wahurst, 2007).

Table 3 : Pearson Product-moment correlations between groups of variables

	1	2	3	4	5	6	
SE Growth	1						
Parents organisation	.272**	1					
Sources of income	.531**	-.369**	1				
Strategies	-.131	.012	-.156	1			
Social Mission	.522**	-.161**	.365**	-.295**	1		
Level of involvement	.368**	.428**	.016	.046	-.160	1	
Value creation	.242**	.221**	.083	.055	-.187*	.270**	1

** , * Correlation is significant at the 0.01 and 0.05 levels respectively (2-tailed test).

Table 3 above therefore indicates that all the variables (the form of parent organisations (.272); sources of income (.531); social mission (.522); Level of involvement (.368)) are positively and statistically significantly related to SE growth at the .05 level. Only strategies is negatively and not significantly related to SE Growth. All the variables strength of association within the groups except strategies is quite strong. The sources of income and social mission explain significantly more of the variance in SE growth than other variables.

Bryman and Cramer (2003p.176) asserted that the size of *r* and significance must be considered in ‘tandem’. The significance of *r* calculation is strongly affected by the number of cases. For instance, ‘if cases are approximately 500, *r* only needs to be .088 or 0.115 to be significant at 0.05 and 0.01 levels respectively while in 18 cases, *r* will need

to be .468 or .590'. There are 136 cases in this report and the tests of significance in these cases are at 0.01 levels. The large size is an indication that the relationships between all these factors and SE growth do not arise by chance (that is, sampling error). The result shows there is only one chance in 100 that the sample will show an existing relationship between SE growth and these variables in KIBS SMEs in Niger State when none exists. Thus, the results could certainly be concluded that: the relationship between SE growth and all the factors are statistically significant. The social mission and sources of income have the highest correlation with SE growth.

5.3 Multiple regression analysis

Pearson's-moment coefficient correlations method was applied (Bryman and Cramer, 2003) and associations were confirmed without multicollinearity (Bryman and Cramer, 2003). This made the progression to multiple regressions to establish the extent of this relationship. This section therefore reports the explanatory power of the multiple regressions in explaining SE growth by the independent variables. Also, to answer the research questions: What is the relationship between NGOs parent-organisation and Social entrepreneurship growth in Niger State? To what extent are NGOs social missions in Niger State related to Social entrepreneurship growth?

However, for the sake of clarity, simplicity and simplification, the construct was not used but the variables. Two regression equation models were presented: Model 1 shows the relationship of the explanatory variable without control variable while model 2 is presented with the control variable. The econometric formalization of a linear regression model is thereby stated:

The linear regression model

$$Y_i = \beta_0 + \beta_1 X_i + \varepsilon_i$$

- Y_i - Outcome of Dependent Variable (response) for i^{th} sampling unit
- X_i - Level of the Independent (predictor) variable for i^{th} sampling unit
- $\beta_0 + \beta_1 X_i$ - Linear (systematic) relation between Y_i and X_i
- β_0 - Mean of Y when $X=0$ (Y -intercept)
- β_1 - Change in mean of Y when X increases by 1 (slope)
- ε_i -Random error term

Suppose there are n data points $\{y_i, x_i\}$ where $i = 1, 2, \dots, n.$ (Bryman and Cramer, 2003). ($i=1, 2..5$) *Parent organization, source of income, social mission, strategies and level of involvement.*

Table 4: Regression analysis result for SE growth.

Variables	Model 1	Model 2
Growth	4.250 (2.140)**	4.796 (2.410)**
Parents Organisation	.520 (8.542)**	.507 (8.336)***
Source of income	.587 (10.259)***	.598 (10.491)***
Social Mission	.402 (7.139)***	.381 (6.672)***
Strategies	.077 (1.473)	.077 (1.489)
Level of involvement	-.075 (-1.312)	-.058 (-1.009)
Control (Social value created)		-.097
R	.825	.830
R ²	.681	.689
F	55.422***	47.604***

Notes: Values in parenthesis are t-statistics. ***, **, * denotes significance at 1%, 5% and 10% respectively.

Table 4 displayed the regression results of the two models. R² is about 68% and 69% respectively indicating the percentages being explained by the models while other factors not included in this study will explain the remaining percentages. The models suggest that there is a relationship between parent organisation, sources of income, social mission and SE growth in the two models at .1% level of significance. The F-value is significant in both models, however, the F-value reduced at the instant of the control variable while R² increased. The strategies and level of involvement of staff to SE growth are not significant in both models hence the strategies employed and the level of involvement of staff by NGOs in Niger state has no significant relationship with social entrepreneurship growth in Niger state. Growth here is about expansion into other places (OECD/EUROSTAT, 2005; Adeyeye and Bamidele, 2015).

Parent organisation and sources of income are significantly associated to growth of Social entrepreneurship. In Niger State, the forms of social service ventures are limited to the political campaign arenas that voted for them. Thus, their influence remains restrained and confined to a local population of Niger State. Their growth is regulated by whatever resources they are able to attract since they have no strategies for implementation, therefore they are not innovative and cannot grow. This research shows some consistency in the analyses with Cukier et al.(2011) that led to categorizing some

individuals and organisations as social entrepreneurs and others as philanthropists, non-profits, NGOs, or activists.

The social mission is very important in perceiving, assessing and accessing opportunities. Social entrepreneurs do not operate in the vacuum, but in the same market with other entrepreneurs but theirs is without the right market discipline. The social mission to have a social and lasting impact must not be engrossed with personal financial gains (Dees, 1998). That is, the NGOs social mission must emphasis social impact and not wealth creation.

The non-significance of the strategies can be related to the findings during data collection interview that almost all the NGOs do not understand the meaning of strategies being used in implementing their social missions hence they are financially dependent on the parent organisation for funding. Since NGOs funding are not part of the main budget, they expressed difficulty in finding sufficient and continuous funding (Ngeh , 2013). Furthermore, when there is a change in government, such NGOs fade off naturally. Moreover, since majority of the NGOs are governmental, political and religious, they are indirectly involved in an equilibrium market. That is, are fictitious elements using NGOs as mask in an equilibrium market. Furthermore, the semi-structured interview conducted showed that most of the NGOs do not understand the concept of social entrepreneurship. Majority (92.6%) indicated that they have never heard the word social entrepreneurship before while some heard it without giving it attention to investigate what it means. Moreover, the unemployment rate in the nation that pushes citizens to necessity entrepreneurship makes the masses generally to take NGOs as another source of employment rather than meeting social needs of the disadvantaged. However, because the formation is wrong, the mission will be erroneous; the implementation will obviously be off beam.

Therefore, in answering the first research question, there is a significant relationship between parent organisation and SE growth in Niger state. The forms of parent organisations affect the need for growth; the need for growth is affected by the source of income, which in turn affects the rate of growth in terms of expansion. Also, to answer the second research question, the social mission of the NGOs is significantly related to growth of SE. This paper contributes to the literature on social entrepreneurship in developing countries by providing a better understanding of the NGOs that are associated with the growth of social entrepreneurship in developing economies.

6. Conclusion and implications

This study investigated the relationship between social entrepreneurship and NGOs. The findings of this study show that more than 74% have their parent organisations as government, political parties or religious organisations. The forms of parent organisations

affect the source of income, which has positive relationship with social entrepreneurship growth. The social mission influences its value creation, level of involvement and also the strategies employed. These NGOs are more prominent in advocacy, human right and training. They provide social services but not in the spirit of social entrepreneurship. The forms of social service ventures are limited to their campaign area. Thus their influence remains constrained and confined to a local population of Niger State, and growth is regulated by whatever resources they are able to attract. Since they do not work by any strategy and more often the social missions are a replicate of what each other's NGOs are doing, hence, there seems to be no innovation and originality that could make them entrepreneurs. The overall result shows that not all NGOs in Niger state are social entrepreneurs. In view of this, there is need for sensitization of the masses and re-orientation of the NGOs. One possible implication is that the institute of entrepreneurs and Department of/Centre for Entrepreneurship in the tertiary institutions could launch a campaign to sensitize the public on SE and NGOs. Also, policy makers could organize workshop for NGOs and political leaders to enlighten and re-orientate them on roles of NGOs as SE.

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