

External Business Environment and Sustainability of Micro, Small and Medium Enterprises in Jigawa State, Nigeria

Authors : Shehu Isyaku

Abstract : The general objective of the study was to investigate 'the relationship between the external business environment and the sustainability of micro, small and medium enterprises (MSMEs) in Jigawa state', Nigeria. Specifically, the study was to examine the relationship between 1) the economic environment, 2) the social environment, 3) the technological environment, and 4) the political environment and the sustainability of MSMEs in Jigawa state, Nigeria. The study was drawn on Resource-Based View (RBV) Theory and Knowledge-Based View (KBV). The study employed a descriptive cross-sectional survey design. A researcher-made questionnaire was used to collect data from the 350 managers/owners who were selected using stratified, purposive and simple random sampling techniques. Data analysis was done using means and standard deviations, factor analysis, Correlation Coefficient, and Pearson Linear Regression analysis. The findings of the study revealed that the sustainability potentials of the managers/owners were rated as high potential (economic, environmental, and social sustainability using 5 5-point Likert scale. Mean ratings of effectiveness of the external business environment were; as highly effective. The results from the Pearson Linear Regression Analysis rejected the hypothesized non-significant effect of the external business environment on the sustainability of MSMEs. Specifically, there is a positive significant relationship between 1) economic environment and sustainability; 2) social environment and sustainability; 3) technological environment and sustainability and political environment and sustainability. The researcher concluded that MSME managers/owners have a high potential for economic, social and environmental sustainability and that all the constructs of the external business environment (economic environment, social environment, technological environment and political environment) have a positive significant relationship with the sustainability of MSMEs. Finally, the researcher recommended that 1) MSME managers/owners need to develop marketing strategies and intelligence systems to accumulate information about the competitors and customers' demands, 2) managers/owners should utilize the customers' cultural and religious beliefs as an opportunity that should be utilized while formulating business strategies.

Keywords : business environment, sustainability, small and medium enterprises, external business environment

Conference Title : ICBRM 2024 : International Conference on Business and Retail Management

Conference Location : Lagos, Nigeria

Conference Dates : August 08-09, 2024