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Effect of social environment on business sustainability of micro, small and medium manufacturing enterprises in Jigawa state, Nigeria

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Abstract
This study intended to establish the effect of social environment on business sustainability of micro, small and medium manufacturing enterprises in Jigawa state Nigeria. Survey design was employed with a sample of 117 respondents. Stratifies random sampling technique was employed and a representative sample was selected from each stratum. Findings indicated that social environment significantly affect sustainability of micro, small and medium manufacturing enterprises in Jigawa state Nigeria. Religion was found to have a higher coefficient among the constructs considered under social environment towards sustainability of micro, small and medium manufacturing enterprises. We conclude that sustainability of manufacturing enterprises is partly dependent on the social factors. Social environment with particular emphasis on cultural factors, religious factors and consumer buying behavior should highly consider ensuring sustainability of enterprises.

Key words: Social environment, business sustainability

1. Introduction

In other words, the socio-cultural environment consist of all elements, conditions and influences which shape the personality of an individual and potentially affects his attitude, dispositions, behavior, decisions and activities. Such elements includes beliefs, values, attitudes, habits, forms of behavior and life style of persons as developed form cultural, religious, educational and social conditions. In this study we have considered culture and traditions, religion and customer behavior as constructs of social environment.

2. Social environment

Socio-cultural environment in broad terms consists of both the social system and the culture of people. It refers primarily to men created intangible elements which affect people's behavior, relationship, perceptions and way of life, and their survival and existence [1]. The social environment of business include such factors as culture and traditions, religion, poverty and literacy level, consumer behavior, beliefs and values, as well as attitude towards the business community and unionism. Throughout history it has been identified that religion influences and transform the behavior of society today [15]. Religious communities are amongst the largest organized worldwide networks. The concept of sustainability is found in the scriptures of all world religions though there is no universal name for it. Each religion has different principles and methods of inculcating sustainability in its teachings [13]. Religion is expected to encourage people to promote environmentally friendly behavior and policies. The underlining assumption is that religion conveys moral values that inspire "eco-friendly" attitude and cannot be impacted by other sub-systems [17].

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According to [4] the external business environment in which social or cultural changes (that is, changes to the value system of a society) act to affect the business efforts. The changing socio-cultural factors may pose threats or present opportunities for the business. The social-cultural fabric is an important environmental factor that should be analyzed while formulating business strategies. The cost of ignoring the customs, traditions, taboos, tastes and preferences, etc of people could be very high [12]. The social dimension of the environment consists of customs, life styles and values that characterize the society in which the business operate [16]. Rakish, further added that the culture is the result of complex factors such as religion, language, education, ethical beliefs etc, a social class is identified by income, occupation, life styles and class norms. According to [3] the social environment of business is the complex social and cultural conditions prevailing in the society in which the business operates. The socio-cultural component of the environment influences the ability of the SMEs to obtain resources, market its goods and services, and function within the society.

3. Culture and traditions and business sustainability

There is increasing recognition of culture as powerful and important aspect in fostering economic, social and environmental dimension of development. Culture is a key element in the concept of sustainable development as it frames people's relationship and attitude towards the business environment [2]. Sustainable development is an integral part of the society and culture affect all aspects of operations in the environment. According to [14] cultural value shape people's way of life and therefore, has the potential to bring about the change in behavior and attitude needed to ensure the achievement of sustainable development.

Cultural sustainability examines ways to improve human lives and how to leave a practical legacy for future generations. SMEs sectors are in most cases located near to the local community that interact more with immediate environment. Understanding the culture and the lifestyles of the customers is very essential to their sustainable development. Culture contributes to the building of lively cities and communities where people live work and play a major role in supporting social and economic well-being [2]. [9] Argue that a sustainable society depends upon the vitality of a sustainable culture and cultural actions arising from the communities as a result of their well-being and shared sense of meaning and purpose of its members.

4. Religious beliefs and business sustainability

In contemporary discussion of ways to attain sustainable and authentic human development, there is a reluctance to consider the influence of religion [10]. The reason for this stems from the divisiveness and intolerance among various religion groups. This sometimes results in violent conflict which hampers, if not destroys, the small scale business enterprises and precipitate the decline of nations. Religious groups exert considerable influence on activities of business groups. Thus businesses must recognize and respect religious sentiment. Business firms can suffer heavy losses by ignoring religious sentiments of customers, employees and others [4].

According to [10] in view of its innumerable adherents and its common belief in the dignity of the human person under God,

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religion is committed to the promotion of the human good so as to provide basic human needs, guarantee protection of human rights and promote integral development of the globe. The World Faith Development Dialogue (WFDD) set up in 1998 to oversee the importance of religion and development, and on 'integral development that is not merely economic but one that includes the political, social, cultural, economic, technological as well as spiritual aspect of human life'. Such development must focus on the human person involved in development and promote his overall development, social, cultural, personal and religious.

In African thinking there is no division between religion and life, body and soul, natural and supernatural as one sees in Western thought. Africans are "incurably religious", they eat religion, dance religion, trade religiously and organized societies [10]. The role of religion for the sustainable development of Nigeria has been both positive and negative. Positively, religion stands as a reliable institution providing stepping stones to sustainable development. In the face of the weakness of the Nigerian state and the inefficiency of its institutions to provide sustainable growth and development Faith Based Groups efforts makes toward improving the standard of living of Nigerians.

5. Consumer buying behavior and business sustainability

Consumers are one side to the coin (i.e. demand side), and all trade should ultimately be to their benefits. Consumers interest have a wide popular appeal and high political salience, called 'consumer sovereignty', that is the freedom to choose to consume, and what to consume [5]. Consumers have a vital role to play in achieving sustainability. Their purchasing preferences can trigger fundamental changes in the manner in which goods and services are produced and used At the same time, the ability of consumers to engage depends, to a large degree on the extent to which a society is sustainable. According to [6], giving the high number of product innovation failures, the study of consumer buying behavior seems vital in guiding the direction of product design and policy measures aimed at stimulating sustainable behavior.

Consumers' lifestyle, especially in industrialized countries, largely impact on achieving sustainable development, the debate on sustainability has come to revolve primarily about consumption patterns [7]. Sustainable consumption therefore, focuses on the "economic activity of choosing, using, and disposing of goods and services and how this can be charged to bring social and environmental benefits", [8]. Consumers make several purchasing decisions each day and the consideration of social and environmental aspects within these decision making process could contribute to a more sustainable development [7].

According to the United Nations, current consumption patterns, especially in industrialized countries, pose a major threat to the Earth's environmental capacity, with each decision consumers can potentially contribute to a more sustainable development. Consumers' decision making with respect to socially and environmentally responsible behavior has been identified as a highly complex, multidimensional process involving intellectual, moral and pragmatic components. As a result, intentions and behavior are not connected in a simplistic and straight forward way but involve a translation process susceptible to various influences Furthermore, consumers are confronted with an extensive arrow of products they choose from. The decision

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that consumers make has an impact technological advances and companies' motivation to innovate. After all, each consumer decision supports a specific company and thus their respective corporate practices [7]. Since consumers have the right to choose what to consume, business entrepreneurs must be conversant with consumer preferences and buying behavior before engaging in product innovations and new product development. At this point therefore, research and development department must be always alert with consumer changing preferences. Moreover, the components of the independent variable also included the technological environment.

6. Research design

Cross sectional survey design was employed in this study. The survey was considered because it allows collection of data from a sample of respondents at a particular time, using a questionnaire. A survey research is used to quantitatively describe specific aspects of a given population. Survey design was further considered appropriate because it capable of obtaining data from large samples of the population. It is also well suited to gathering data that describe the composition of the sample [11]. A sample of 117 respondents was used in this study. Surveys are inclusive in the types and number of variables that can be studied, require minimal investment to develop and administer, and are relatively easy for making generalizations. Surveys can also elicit information about attitudes that are otherwise difficult to measure using observational techniques. Also, the data required for survey research are collected from people who have knowledge about the subject variables. We hypothesized that;

(1) H_{01}culture of consumers does not significantly affect sustainability of micro, small, and medium manufacturing enterprises in Jigawa state, Nigeria.
(2) H_{02}Religion of consumers does not significantly affect sustainability of micro, small, and medium manufacturing enterprises in Jigawa state, Nigeria.
(3) H_{03}Consumer buying behavior does not significantly affect sustainability of micro, small, and medium manufacturing enterprises in Jigawa state, Nigeria.

7. Findings

In testing the effect of social environment on sustainability of micro, small and medium enterprise, regression analysis was considered appropriate and all variables were loaded and multiple regression analysis results are thus presented in the table 1 below.

Table 1. Regression results of effect of social environment on sustainability of micro, small and medium manufacturing enterprises in Jigawa state, Nigeria.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.867[a]	.752	.746	.23757
a. Predictors: (Constant), Cultural factor, Religious factors, Consumer buying behavior				
		ANOVA[a]		

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Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	19.549	3	6.516	115.460	.000[b]
Residual	6.434	114	.056		
Total	25.983	117			
a. Dependent Variable: Business sustainability					
b. Predictors: (Constant), Cultural factor, Religious factors, Consumer buying behavior					
	Coefficients[a]				
Model 1	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.436	.140		10.281	.000
Cultural factors	.224	.039	.286	5.691	.000
Religious factors	.335	.028	.618	12.056	.000
Consumer buying behavior	.093	.017	.268	5.627	.000

Findings reveal that all variables considered in this study as parameters of the independent variable significantly affect sustainability of micro, small, and medium manufacturing enterprises in Jigawa state, Nigeria. The R^2 of 0.752 suggest that these variables all together can affect sustainability of small, and medium manufacturing enterprises in Jigawa state, Nigeria up to 75.2%. This implies that other factors not considered in this study may contribute 24.8% toward sustainability of small, and medium manufacturing enterprises in Jigawa state, Nigeria. Cultural factors indicate a sig value of 0.000<0.05 with a Beta of 0.224 implying that in the regression model cultural factors contribute 22.4 %. Thus *first* hypothesis is rejected and we conclude that cultural factors have a significant effect on sustainability of small, and medium manufacturing enterprises in Jigawa state, Nigeria. Findings further suggest that religious factors significantly affect sustainability of small, and medium manufacturing enterprises in Jigawa state, Nigeria with a sig value of 0.000<0.05 and Beta of 0.335. Basing on the sig value we reject the *second* hypothesis and conclude that religious factors significantly affect sustainability of small, and medium manufacturing enterprises in Jigawa state, Nigeria. Consumer buying behavior also has significant effect on sustainability of small, and medium manufacturing enterprises in

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Jigawa state, Nigeria with sig value of 0.000<0.05 and Beta of 0.093. The *third* hypothesis of no significant effect is rejected and conclude that consumer buying behavior have siginificant effect on sustainability of small, and medium manufacturing enterprises in Jigawa state, Nigeria.

8. Conclusion

The variables considered as measures of social environment significantly affect sustainability of micro, small and medium manufacturing enterprises. From all the three variables, religious factors are the one with a high coefficient in the model suggesting that religion is importing in ensuring that a firm is sustained. Considering that Nigeria and Jigawa state in particular is predominantly Muslim, brotherhood is significantly strong. Religious factors cannot be underestimated in ensuring sustainability of micro, small and medium manufacturing enterprises. Therefore, owners and managers of micro, small and medium manufacturing enterprises have to be major sensitive about religion in the event of producing, distribution and selling of their products. In a nutshell, the social environment with particular emphasis on cultural factors, religious factors and consumer buying behavior should highly considered to ensure sustainability of micro, small and medium manufacturing enterprises in Jigawa state, Nigeria.

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