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Social Capital Influence on the Financial Health of Micro and Small Businesses Operated by Graduate Students in South-Western Nigeria

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Abstract: The study investigated social capital influence on the financial health of micro and small businesses operated by graduate students in South-Western Nigeria. Four research questions and two hypotheses were answered and tested in the study. Mixed method approach was adopted in the study. Population of the study was all students and entrepreneurship lecturers in Universities in South-Western, Nigeria out of which 309 respondents (300 graduate students and nine lecturers) were sampled for the study using multistage sampling technique. Questionnaire and Interview were used for gathering data. The data gathered were analyzed using descriptive and inferential statistics namely; frequency, percentage, mean, binary logistic regression, chi-square and t-test at 0.05 level of significance. The result of the study revealed that the dimensions of social capital had positive effect on the financial health of the businesses operated by the students and the relationships were significant. It was revealed that the manufacturing and agriculture sector were underexplored by the students while the service sector had the higher proportion of entrepreneurs. The reforming of the curriculum was recommended to capture more of social capital development by the students.

Keywords: Social Capital, Financial Health, Small and Micro Business, University Students, South-Western, Graduates, Lecturers

INTRODUCTION

Businesses in Nigeria have had a mixture of fortune and misfortune since independence particularly between the 1960s to 1980s with the discovery of oil and economic recession that affected business growth in Nigeria. There are some of these enterprises that have survived because they were able to remain financially afloat while others have wound-up. Several micro and small businesses were also affected in this process despite the fact that these enterprises play a significant role in the growth and development of the nation.

The role that the informal sector plays in the growth and development of the Nigerian economy cannot be overemphasized as they have contributed significantly to the growth of the Gross Domestic Product (GDP) and also assisted in the reduction of unemployment. Today, several youths are making effort to establish their own businesses as a way of addressing the rising case of youth unemployment in the country. However, some of these businesses which are operated by students undergoing different programmes in the University have both succeeded and failed. Several of the business idea nurtured by these students have been gained by

participating in the entrepreneurship programme run in the University. Unfortunately, a few of these businesses have failed just like others in the past as a result of various socio-economic challenges.

Student entrepreneurs like other businesses owners have been exploring different avenues to keep their business afloat and financially healthy. Different forms of capital such as physical assets, financial capital and other material resources are often deployed into some of these businesses to keep the business running but attention is gradually being drawn to the need for social capital as a means of keeping the business successful. Social capital which has to do with the network of relationships established by a business owner has continued to influence the success of businesses as it does not only increase sales and customer attraction but also helps to grow revenue. Social capital has therefore continued to play important role like other forms of capital in promoting the success of businesses but how much contribution this type of capital makes to keeping a financially healthy is still an issue that is still gaining gradual attention among business owners.

Statement of the Problem

The South Western region of Nigeria remains the major hub for startups in Nigeria and students in some of the Universities in the region account for this development. There are several students who intend to start up their own businesses following their participation in the entrepreneurship education programme implemented by their Universities. However, statistics has shown that over 80% of these students fail within the first five years of business and this does not only affect the economic fortune of the country but also adds up to the already rising cases of youth and graduate unemployment and increasing pressure on scarce national economic resources. Given the fact that financial capital has continued to dwindle in supply for meeting the business need of new entrepreneurs, the need to consider other forms of capital such as social capital is becoming increasingly essential. Given the poor financial condition of some of the businesses operated by these students, the role that social capital can play in improving the financial health of these businesses remains unclear. How social capital accounts for the financial health of micro and small businesses operated by University students is an issue that remains unclear and this forms the problem that this study intends to investigate.

Purpose of the Study

The main objective of the study was to investigate the contribution of social capital to the financial health of micro and small businesses operated by graduate students in South-Western, Nigeria. The specific objectives of the study were to:

1. determine the demographic outlook of micro and small businesses operated by graduate students in Universities in South-Western, Nigeria.
2. describe the effect of social capital on the financial health of micro and small businesses operated by graduate students in Universities in South-Western, Nigeria.
3. examine the perception of graduate students on the entrepreneurship education programme in Universities in South-Western, Nigeria.
4. ascertain the challenges militating against the development of social capital for the financial health of micro and small businesses operated by graduate students in South-Western Nigeria.

Research Questions

The following research questions were answered in the study:

1. What is the demographic outlook of micro and small businesses operated by graduate students in Universities in South-Western, Nigeria?
2. What is the effect of social capital on the financial health of micro and small businesses operated by graduate students in Universities in South-Western, Nigeria?

3. What is the perception of graduate students on the entrepreneurship education programme in Universities in South-Western, Nigeria?

4. What are the challenges militating against the development of social capital for the financial health of micro and small businesses operated by graduate students in South-Western Nigeria?

Hypotheses

The following hypotheses were tested in the study:

1. Social capital is not statistically significant to the financial health of micro and small businesses operated by graduate students in Universities in South-Western, Nigeria
2. There is no significant difference between the mean ratings of male and female students on their perception on the entrepreneurship education programme in Universities in South-Western, Nigeria

Literature Review

Financial Health

Health is regarded as the state or condition of wellbeing. The World Health Organization defined health as not just the absence of disease but a state of complete physical, mental and social wellbeing. In the same way that anyone who is not physically, socially and mentally sound is said to be unhealthy so also businesses can be said to be unhealthy especially financial when the required financial perimeters of the business are not met. The Financial health of a business can refer to the State of financial balance following the business activities that are carried out in the enterprise. Explaining further, Sannikova as cited in Sabău-Popa et al., (2020) stated that when a business is in good economic and financial shape and is not only using cutting-edge, high-performance tools and marketing to advertise its products and services but also maximizes profits, it is said to be financially healthy.

The financial health of a business is an important aspect of the lifespan of a business as a financially unhealthy business cannot meet its goals and objectives. It was outlined in Michalkova et al., (2018) that any firm that is not financially healthy and facing deteriorating financial health will experience economic failure, business failure, technical insolvency, insolvency and bankruptcy. When a business is financially unhealthy and facing these symptoms, it will be difficult for it to meet its goals and contribute to national growth and development. However, there are certain indicators that are often used in determining a financially healthy business and these include the liquidity, profitability, solvency and operating efficiency of the business. Any of these indicators can be used in ascertaining the financial health of business which invariably determines how long the business can live, the functions it can carry out and the contributions it can make the society and national development.

Social Capital

Social capital is a term that has continued to gain attention in the business world as a result of its importance to the performance of businesses and entrepreneurs. Several studies have revealed that even when businesses have access to equal physical and financial capital, there are observed differences in their performance level and this suggests the presence, impact and contribution that other forms of capital make to the business. Social capital like other forms of capital are required for managing businesses and improving the performance of enterprises whether micro, small, medium or large.

In their opinion, Rutten et al., (2010) noted that social capital is concerned with how people interact with one another. It is a form of resource or capital that is built when a group of people come together to form a social link or relationship with common expectations. Furthermore, Putman as cited in Webster (2013:1) noted that social capital refers to “networks, norms, and trust that allows members to work more effectively together to pursue common goals”. Similarly, Macke and Dill (2010:123) noted that “a set of unwritten rules and principles that all members of a particular group share that promote cooperation is known as social capital”. Social capital is an intangible wealth that is built among a group of people and can be expended to secure other resources that the business requires to succeed. This is why Acquah as cited in Dar and Mishra (2020) stated that the actual and potential resources rooted in the network relationships that various actors, such as managers and entrepreneurs, can access and use for conducting business operations are known as "social capital. Social capital is properly utilized can assist businesses to secure other essential resources that other forms of capital can attract to a business for improved performance and several dimensions of social capital such as the structural, cognitive and relational capital can be used for this purpose by entrepreneurs.

Social Capital Dimensions and Financial Health of Businesses

There are various dimensions of social capital that are often deployed to improve on the performance of different sizes of businesses both in terms of improved profitability, improving sales, attracting traffic among others. Each of the dimensions of social capital is significant not only for enhancing the profitability of the business but also for sustaining the business. Expanding on the importance of social capital dimensions in improving the profitability of businesses, Nahapiet and Ghoshal as cited in Boumlik et al., (2021:143) stated that “social capital can be utilized to gain access to knowledge in an environment where information is a source of competitive advantage and to enable businesses to benefit from shared learning”. When the right network is built and relevant information and values are built, it becomes easy for a business whether new or old to stay financially afloat.

One of the essential dimensions of social capital is the structural social capital. Claridge, (2018) noted that the roles, rules, precedents, and procedures, as well as network ties (i.e.,

who knows who), are all tangible indicators of structural social capital and all of these are important for improving the performance of businesses. Social networks, participation in civic organizations, and other forms of participation are all examples of structural social capital, which is defined as the behaviors and modes of network participation that can be observed from the outside (Yuan et al., 2022; Nyqvist et al., 2012 & Agampodi et al., 2015). Structural dimension of social capital is concerned with the characteristics of being a member of a societal unit as well as the network of relationships that exist inside that unit which enables the member to be able to have access to resources that belongs to the group.

There is also a relational dimension of social capital and Ozigi (2020) identified that this dimension of social capital includes trust, norms and values. Certain behavioral traits, like friendship, trust, and integrity, are developed during the social network-building process and are crucial business indicators. The ability to facilitate and influence business decisions and business relationships, which can also influence a business's ability to generate revenue, can be attained by developing trust, integrity, and other shared values. The intimate connections that grow over time as a result of constant human interaction are more important to relational social capital. Relational social capital is often built on personal grounds and this is why this dimension of social capital is essential especially for micro and small businesses which are often managed by one or few people.

Cognitive social capital also plays an important role in promoting the profitability and overall performance of businesses. Razak and Srinivasulu (2022) noted that cognitive social capital is more concerned about the shared norm and representation and other resources that organizations share through their social ties within their social involvement. In clearer term, Paunescu and Badea (2014) noted that this dimension of social capital focuses on the existence of shared and common meanings, interpretations, behaviors, attitudes, beliefs, norms and values among actors, such as legitimacy, safety, reciprocity which are also essential in promoting the performance of a business. Cognitive social capital deals with the existence of commonalities such as related values, vision, goals etc. that organizations share which makes it easy for members to access resources from the other member all of which can be deployed in improving the profitability of one's business. The various dimensions of social capital have their unique attribute but if properly utilized, they can go a long way to enhance the overall performance of a business whether new or old.

Challenges in Building Social Capital for Financial Health of Businesses

The development of social capital has not experienced widespread acceptance as a means of transacting business-like other forms of capital as a result of several challenges. Despite the importance of social capital in the success of businesses especially the new ones, some entrepreneurs have not been able to explore this form of capital as an essential resource

needed for promoting the financial health of their businesses and this is due to several factors.

One of the limitations of social capital is that it is no static like other forms of capital (Battisti & McAdam, 2012) implying that it can change and take a different form within the shortest known time. In some cases, members of social groups can enter and exit at will and the attitude of members can also change as a result of several factors making the social capital built over time to be unpredictable for doing business. Furthermore, Battisti, M., & McAdam, M. (2012) noted that social capital can be peculiar to different environments. This implies that the kind of social capital build in one business environment may not be able to function effectively in other environment. This means that the capital developed may not be widely accepted and utilized like other forms of capital which can be tendered and utilized for business purposes irrespective of the location. This means that there could be environmental limitations to how far this kind of capital can be utilized for business purpose especially in enhancing the financial status of the business.

On the other hand, Karpovich et al., (2019) noted that the use of social capital within institutional frameworks and legal systems is a practice that is still requiring greater attention and this means that for social capital to become an institutional resource that can be used for meeting organizational objectives, it must receive some level of institutionalization. This process is however often difficult to achieve especially among already established businesses and this makes it difficult especially for small businesses to use social capital to transact with established firms and improve on their financial status or profitability.

Empirical Reviews

Researchers have continued to carry out different studies to determine the relevance of social capital in business management. One of such studies was carried out by Effiom and Edet (2018) on the success of small and medium enterprises in Nigeria and whether environmental factors matter. The study showed that environmental factors were statistically significant at the 5% level of significance, according to the regression analysis' findings. However, the use of human resources was insignificant among the environmental factors. Rahim and Mukhtar (2021) conducted a study on perception of students on entrepreneurship education. 114 students pursuing a Bachelor of Business (Entrepreneurship) degree made up the study sample; they were chosen using the purposive sampling method. The study's findings demonstrate a significant relationship between entrepreneurial intentions and the teaching methods and curriculum used in entrepreneurship. The university's role variable, however, revealed the opposite findings, namely that there was no significant relationship with entrepreneurial intentions.

Akintimehin et al., (2019) investigated social capital and its effect on business performance in the Nigeria informal sector. In 650 informal businesses in the Ikeja neighborhood of Lagos

state, Nigeria, a cross-sectional survey was conducted. The structural equation model's partial least square method was used to analyze the data collected. The results showed that, in the absence of firm age as a controlling variable, social capital significantly influenced business performance, while internal social capital significantly influenced non-financial performance but not financial performance. External social capital, however, had no significant impact on either financial or non-financial performance.

Lekhanya (2016) also carried out a study on business characteristics of small and medium enterprises in rural areas in southern region of KwaZulu-Natal province of South Africa. In the Southern Region of the KZN province, the study was carried out in five communities: Umuziwabantu, Ubuhlebezwe, Sisonke, Zingolweni, and uMzimkhulu. A quota sampling technique was used to select the sample, which included 127 owners/managers of SMEs operating in the chosen areas. Both interviews and questionnaires were used to collect data. The research revealed that the majority of employees in the company are unskilled, that modern facilities are used to run business operations, that most business investment strategies are hampered by a lack of funding, and that the local market is very small for the sale of the goods produced by rural SMEs. Business traits of SMEs in rural areas were examined and found to be significant.

Adisa et al., (2014) also investigated the characteristics and challenges of small businesses in Africa using an exploratory study of Nigerian small business owners. A thorough interview with 152 small business owners was conducted. The results demonstrate that Nigeria's small businesses are characterized by its unemployed population, which chooses small business as their last resort. Another finding identifies the main issues that small businesses in Nigeria face, including a lack of sufficient funding, poor record keeping and information management, the inability to distinguish between business and personal funds, a lack of essential infrastructure, and a lack of appropriate business and management skills. These studies have all demonstrated how important social capital is to business performance at all levels.

Methodology

The study adopted a mixed method approach. Population of the study consisted of all the postgraduate students and lecturers in the Universities in South-Western Nigeria. Multistage sampling technique was adopted in the selection of the respondents of the study. First, purposive sampling technique was used to select the best Federal, State and Private University in terms of entrepreneurship programme performance and business start-ups namely; Obafemi Awolowo University (Federal), Olabisi Onobanjo University (State) and Covenant University (Private). Secondly, snowballing technique was used to select 100 postgraduates who had a small or medium business (business with less than 50 employees) in each University totaling 300 graduate students for the study and the sampling was considered saturated when no new entrepreneur was discovered. Thirdly, three lecturers of entrepreneurship education were also

selected randomly for interview in each of the selected Universities totaling nine lecturers. The total respondents for the study was 309. The business used are categorized into micro (less than ten employees and small (10-50 employees) for the purpose of determining their financial health (profitability) which was used for the purpose of regression. Two instruments were used for data collection which were questionnaire for quantitative data collection and Key Informant Interview (KII) for qualitative data collection. The quantitative instrument was administered to the students while the qualitative instrument was administered to the lecturers. The instruments were face and content validated by two entrepreneurship experts while Cronbach alpha was used to determine the reliability of the instrument with an average index of 0.87. Data collected for the study were analyzed using descriptive and inferential statistics namely; frequency, percentage, mean, binary logistic regression, chi-square and t-test at 0.05 level of significance. The model specification for the binary logistic regression is as follows:

$$FH = f(SC) \tag{1}$$

where:

FH = Financial Health

SC = Social Capital

Social Capital is determined in terms of Relational Social Capital (RSc), Structural Social Capital (SSc) and Cognitive Social Capital (CSc) which agrees with the work of Kiprotich (2014) who applied same model in determining the growth of SMEs in Kenya. Hence, equation (1) becomes:

$$FH_i = f(RSc, SSc, CSc) \tag{2}$$

Where the dichotomous variable is presented as:

$$FH = \begin{cases} 1: Financially Unhealthy \\ 2: financially Healthy \end{cases} \tag{3}$$

The logistic regression model in its simplest form is written as:

$$\text{Log}(P_i/1 - P_i) = \beta_0 + \beta_i X_i + U_i \quad (i = 1, 2,$$

3, ..., n), \tag{4}

The model to estimate the relationship between financial health and social capital is written as:

$$\text{Log(odds)} = FH = \beta_0 + \beta_1 RSC_i + \beta_2 SSC_i + \beta_3 CSC_i \tag{5}$$

Results

Table 1: Type of Business Operated by the Graduate Students

Type of Business	Frequency	%
Manufacturing	19	6.8
Agriculture	12	4.3
Trading	90	32.4
Services	124	44.6
ICT	33	11.9
TOTAL	278	100

Table 1 showed that the students sampled were engaged in businesses that were categorized into Manufacturing, Agriculture, Trading, Services and ICT. Based on the data analyzed, majority of the students sampled for the study (44.6%) were engaged in service related business such as

This was followed by those who were into trading where 90 of the students (32.4%) were into buying and selling of goods such as clothes, footwear, confectioneries, paint, cosmetics among others. Others were engaged in ICT related business such as data analysis, repair of phone and computer, graphic design, printing and publishing among others. Students who were engaged in manufacturing and agricultural business had the lowest proportion of 6.8% and 4.3% respectively indicating that majority of these students are yet to really engage in these areas. This finding agrees with the result of the study by Adisa et al., (2014) on the characteristics and challenges of small businesses in Africa where it was revealed that Nigeria's small businesses are characterized by its unemployed population, which chooses small business as their last resort. This implies that students are yet to be intentional about being entrepreneurs and this accounts for why some other sectors remain largely unexplored.

Table 2: Source of Fund for Business

Source of Fund	Frequency	%
Family Members	18	6.5
Friends	59	21.2
Personal Savings	176	63.3
Government	4	1.4
Financial Institutions	6	2.2
Thrift Association	15	5.4
TOTAL	278	100

Table 2 showed that majority of the graduate students sourced for the capital for their businesses from their personal savings with 63.3% of the students falling in this category. This was followed by 59 students representing a share of 21.2% who were assisted financially by their friends. There were 18 students with a share of 6.5% who got their business capital from family members while the least funding sources were from thrift association, financial institutions and government

with a share of 5.4%, 2.2% and 1.4% respectively. It implies that sources of fund for these businesses were still majorly from immediate sources with very little financial assistance coming from institutions that in the real sense should be supporting start-ups for the revitalization of the economy.

Table 3: Annual Profit made in the Business

Profit	Frequency	%
Less than 100K	83	29.9
Between 100K – 500K	116	41.7
Between 500K- 1M	53	19.1
1M – 5M	22	7.9
Above 5M	4	1.4
TOTAL	278	100

In table 3, there were 116 students with the highest share of 41.7% who reported that they make between 100 to five hundred thousand from their businesses annually and this was followed by 29.9% of the students who made less than 100 thousand annually from their businesses. In a similar manner, 19.1% of the students made between 500 thousand and one million annually while 7.9% made between one to five million. Only 1.4% of the students made above five million annually and this points to the need for expansion of some of the businesses managed by these students with majority of them appearing to still have a low financial base that will be required to keep them financially healthy and revitalize the Nigerian economy.

Table 4: Effect of Social Capital Dimensions on Financial Health of the Businesses

		Variables in the Equation					
		B	S.E.	Wald	Df	Sig.	Exp(B)
Ste	CognitiveSocialCapital	.195	.069	7.886	1	.005	1.215
P	RelationalSocialCapital	.039	.068	.327	1	.568	1.040
1 ^a	StructuralSocialCapital	.236	.067	12.430	1	.000	1.266
Constant		-7.490	1.406	28.374	1	.000	.001

Overall Percentage 67.4
 -2 Log-Likelihood = 334.577
 Nagelkerke R² = .179

Omnibus Tests of Model Coefficients				
		Chi-square	df	Sig.
Step 1	Step	38.773	3	.000
	Block	38.773	3	.000
	Model	38.773	3	.000

Given the variables, the estimated logit model is:

$$\text{Log(odds)} = \text{FH} = -7.490 + 0.195 [\text{CSC}] + 0.039 [\text{RSC}] + 0.236 [\text{SSC}] - \dots$$

The result in Table 4 above shows that all the dimensions of social capital have positive relationship with the financial health of businesses run by the students. However, the Cognitive, Relational and Structural Social capital dimensions had coefficients of 0.195, 0.039 and 0.236 indicating that an increase in Cognitive, Relational and Social capital will lead to an increase in the Financial Health of the businesses operated by the students by 0.195, 0.039 and 0.236 respectively with the Structural Social Capital contributing more to the financial health of the business and the reverse will be the case if there is a fall in any of the dimensions by one unit thereby agreeing with the outcome of the study by Effiom and Edet (2018) which also identified that environmental factors are important to the performance of SME's.. Similarly, with the significance level for the three dimensions all at 0.000, it implies that all the dimensions of social capital were significant contributors to the financial health of the businesses operated by the students.

Similarly, the test for the fitness of model was given as 67.4 which implied that 67.4% of the businesses were classified as either financially healthy or not healthy by virtue of the three dimensions of social capital.

The -2 log likelihood value (-2LL = 334.577) also supported that the model significantly fit the data, thereby indicated a reduction in the number of unexplained information about the financial health of the businesses operated by the students. This was confirmed by the associated Omnibus validity test of model coefficients, which is based on the null hypothesis that all the coefficients are zero led to the rejection of the null hypothesis at 5% significance level since $\rho < .05$. The result ($\chi^2 = 38.773, \rho = .000$) indicated that the three social capital dimensions provided a statistically significant improvement in financial health of the students' businesses. This aligns with the outcome of the study by Akintimehin et al., (2019) which also established that social capital significantly affects the financial and non-financial performance of businesses at varying degrees. The Nagelkerke Pseudo R², on the other hand, indicated that the model accounted for 17.9% of the total variance of financial health status of the businesses operated by the students.

Table 5: Perception of Graduate Students on the Entrepreneurship Education Programme in Universities in South-Western, Nigeria

STATEMENT	Male	Female
Course content in the entrepreneurship education programme addresses the need for students to build social capital	3.25	3.04
Students are assisted by the University to build social network for their businesses	3.12	3.19
Value education is addressed in the entrepreneurship course content	3.27	3.10
Students are able to connect with industry players from the programme	3.10	3.12
Students are organized in a business cluster before graduation to build a student's network base	2.99	3.00
Average mean	3.15	3.09

Entrepreneurship education is a programme implemented compulsorily across all the higher education institution in Nigeria as suggested by the Federal Government of Nigeria.

This essential programme was enforced to equip students with the entrepreneurship abilities that will enable them not just become self-employed after graduation but also be able to create jobs for others. The responses of both male and female students in table 5, produced mean scores of 3.15 and 3.09 respectively that were above the criterion mean of 2.50 used for decision making implied that they both agreed on the items as their perception on the entrepreneurship education programme implemented in their Universities. From the responses of the students, it was revealed that the students agreed that the content of their entrepreneurship education course has section devoted to social capital development. They also identified that they were assisted to build the required social network for their businesses, the programme emphasized value education, provided a platform for connecting with industry and that the students are usually clustered to build business network. It implies that these Universities successfully implement some of the efforts required to assist the students build social capital and the students agree with this fact which is required to assist them improve in their various enterprises. This outcome largely agrees with the result of the study conducted by Rahim and Mukhtar (2021) on perception of students on entrepreneurship education which indicated that students' entrepreneurial intentions was largely significantly related to the teaching methods and curriculum but not with the university's role and this indicates that while some efforts have been made, there are still interventions that are required from the programme as it is being implemented by the Universities.

Challenges militating against the development of social capital for the financial health of Micro and Small Businesses Operated by Graduate Students in South-Western Nigeria

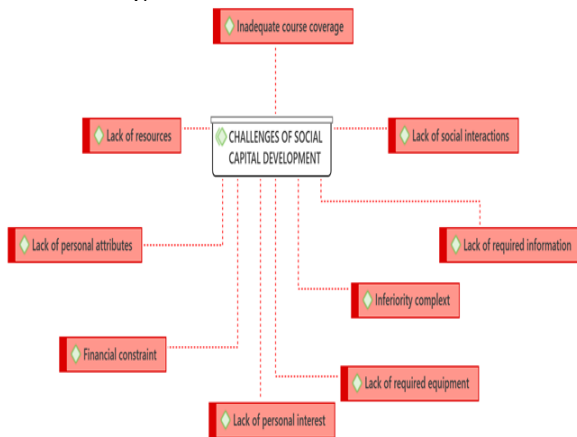


Fig. 1: Challenges to Social Capital Development

Following the interview with the entrepreneurship lecturers sampled from the different universities, the following themes were identified as the challenges to the development of social capital among the students:

- Inadequate course coverage

- Lack of resources
- Lack of personal attributes
- Lack of interest
- Financial constraint
- Lack of social interactions
- Lack of required information
- Inferiority complex
- Lack of required equipment

The need for social capital development across all aspects of life remains a necessity and entrepreneurs are expected to build this competence for improving the performance of their business and achievement of other outlined objectives. However, student entrepreneurs like other entrepreneurs in different industries have not been able to maximize this essential resource and from the opinion of the lecturers of entrepreneurship in some selected Universities, the reasons for this are not far-fetched. First, it was identified that the entrepreneurship courses in the Universities have not been able to pay the required attention to social capital development in business like other capital used in business. This implies that the entrepreneurship courses taught in the Universities are more focused on how students can attract other capital such as physical and financial and less attention to the building of social capital for the success of their businesses. Similarly, the lack of other essential resources such as

The interest of the entrepreneur in building social capital was also identified as a challenge as it was pointed out that some of the entrepreneurs do not have time or the interest to build the required network for promoting their business and as such they cannot leverage the benefits that come with it. Financial constraints and lack of social interaction were also spotted as challenges to the development of social capital. This aligns with the outcome of the study by Lekhanya (2016) on business characteristics of small and medium enterprises in rural areas in southern region of KwaZulu-Natal province of South Africa which identified a lack of funding as a factor that hinders.

capital accumulation for improved business performance. This means that the entrepreneurs were unable to establish the right link and accumulate the right capital which makes their ability to develop social capital difficult. The lack of requisite information for developing social capital was also identified as a bane as well as inferiority complex among the students and lack of required equipment such as modern technology needed to build social ties in and outside the business world. It remains obvious that there are a mirage of issues that has made it difficult for entrepreneurs to develop the needed social capital and some are both student and institution induced but these impediments need to be addressed so that young entrepreneurs can be able to build the needed social capital that will enable their business to thrive across all sphere.

Table 6: Summary of z-test Analysis on the Difference Between the Mean Ratings of Male and Female Students on Their Perception on the Entrepreneurship Education Programme in Universities in South-Western, Nigeria

Variable	n	Mean	SD	Df	z-cal.	z-crit.	Level of Significance	Dec Rej
Male Students	119	3.15	0.81	276	0.60	1.96	0.05	N
Female Students	159	3.09	0.86					Rej

Table 6 showed that at a significance level of 0.05 and 276 degrees of freedom, the z-crit. value of 1.96 was above the z-cal. value of 0.60 and as such, the null hypothesis was not rejected and this implied that there was no significant difference between the mean ratings of male and female students on their perception on the entrepreneurship education programme in universities in South-Western, Nigeria. This implies that both the male and female students share the same opinion and are equally affected by the manner in which the entrepreneurship education programme in their Universities is implemented.

Conclusion

The study concluded that the dimensions of social capital all have positive effect on the financial health of the businesses being operated by the graduate students in the study area with the Structural Social Capital contributing more to the financial health of the businesses than the other two dimensions. Additionally, all the three dimensions of social capital are all significant contributors to the financial health of these businesses although the contributions differ. It was evident that most of these students are yet to be exploring other job opportunities available and this seem to account for the low profit made from their various businesses.

Recommendations

The following recommendations were made in line with the findings of the study:

1. The entrepreneurship education programmes implemented in the Universities and other higher educational institutions need to be overhauled to give more attention to the development of social capital especially in the area of social networking so as to enable students run businesses that will be able to thrive and contribute to national development.
2. The government needs to give incentives to graduates who are willing to invest in businesses that underexplored such as manufacturing and agriculture and this will include providing tax cut, credit facilities and adequate sensitization so as to enable students invest more in these sectors and contribute to the development of the nation.

3. The Universities need to ensure that students have the opportunity of interfacing more with successful entrepreneurs in their various areas of business interest and this will enable them develop the needed skill, knowledge and attitude that will enable **them succeed in business.**

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