

SOCIOPRENEURSHIP AND THE CHALLENGES OF SOCIOECONOMIC TRANSFORMATION IN NIGERIA

Ayo-Oluwaseyi Felix (né Ajayi)
National Open University of Nigeria
nou234238957@noun.edu.ng
+2348061105731

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ABSTRACT

Social Entrepreneurship which is the fusion of social impact and entrepreneurial innovation, has emerged as a pivotal strategy in Nigeria to address pressing social challenges. This approach leveraged business models to create sustainable solutions that benefit communities while remaining financially viable. This paper investigated the role expected of social entrepreneurship as measures for addressing social and economic challenges in enhancing socioeconomic transformation and sustainable development in Nigeria. Sociopreneurship thrives in an enabling environment where favourable policies, access to resources, and collaborative networks foster innovation and sustainable social impact. The findings showed that there is a rising number of young Nigerians engaging in social entrepreneurship ventures, particularly in agriculture, waste recycling, fintech, education, and health. It was concluded that, unless there were deliberate attempts by government to creating an enabling environment for smooth and successful engagements and collaborations with the social entrepreneurs to meeting both rural and urban socioeconomic needs; all efforts and governmental strides to ensuring speedy transformation and sustainable development would remain slow and unattainable.

Keywords: Social Entrepreneurship, Pivotal strategy, Socioeconomic, Collaborations

INTRODUCTION

Development remains one of the major challenges facing Nigeria and have been described as the major bottleneck to the socioeconomic growth and sustainable development of the country; most especially at the rural level.(Akinwale, 2021) Since independence, the government of this country had over-times designed strategies and came up with several measures to tackle these menaces, in improving the quality of life and wellbeing of the people (Ojong, Ogar, & Arikpo, 2019). Yet, development remained insignificant or completely absent at all levels. This shift the concerns of the federal and state governments emphasizing on the need for holistic engagements and stakeholder collaborations as measures to ensuring rapid and sustainable socioeconomic development (Dodo, Raimi, & Rajah, 2021). This brings to the fore the emergence and rapid increase in the number of many social enterprises in the past few years and still counting (the Non profit organizations most especially). Thus making Social entrepreneurship one of the viable measures to complementing the government strides and efforts in enhancing efficient, sustainable and rapid socioeconomic development in Nigeria. This is necessary because, the government alone cannot be sufficient in providing all the needed apparatus meant for development. The World Bank's recent Nigeria Poverty Assessment documents slow inclusive progress and emphasizes that conventional public-sector solutions alone are insufficient to reach marginalized households. At the same time, official labour statistics and labour-force surveys show worrying patterns of underemployment and high informal employment, particularly among youth, that create a large unmet need for decent, sustainable jobs. These structural gaps form both the challenge and the opportunity for sociopreneurship interventions.

This makes it imperative for this paper to discuss, the social entrepreneurship as a measure to complementing sustainable socioeconomic development in Nigeria. This is in the sense that, social entrepreneurship stands as those entrepreneurs; who are delivering value within society, with main focus on people and development, rather than profit.

It was observed that the rapid urbanization in the cities like Lagos and Abuja brings challenges in housing, transport which potent a great danger to waste management as already being witnessed in different parts of Lagos State (Akinwale, 2021). This shows waste management and environmental degradation are growing concerns especially in urban areas begging for quick social response.

This paper therefore explores how sociopreneurship is not just beneficial as an enterprise, but necessary for tackling social problems at all levels and sectors in Nigeria.

Concise meanings of the terms used:

- Social Entrepreneurship: The practice of creating and running businesses that aim to solve social or environmental problems while remaining financially sustainable.
- Pivotal Strategy: A key or crucial plan of action that strongly influences the success of an initiative.
- Socioeconomic: Relating to both social and economic factors, such as income, education, and living conditions.
- Collaborations: Partnerships where individuals, groups, or organizations work together to achieve a common goal.

THEORETICAL FRAMEWORK

This study was anchored on the Social Innovation Theory, which posits that innovative approaches to solving persistent social problems can lead to systemic change and sustainable development. The theory emphasizes that social entrepreneurship (or sociopreneurship) operates at the intersection of social impact and business innovation, creating hybrid solutions that are both economically viable and socially transformative. Within the Nigerian context, where challenges such as poverty, unemployment, poor access to healthcare, weak educational systems, and inadequate waste management persist, Social Innovation Theory provides a lens

for understanding how sociopreneurs mobilize resources, networks, and entrepreneurial strategies to address gaps left by government and market failures. By applying this framework, the study highlighted that sociopreneurship is not merely a profit-seeking venture but a deliberate and innovative response to structural socioeconomic challenges. It further explained that sociopreneurial initiatives in agriculture, education, healthcare, and environmental sustainability represent social innovations capable of transforming communities, reducing inequality, and accelerating Nigeria's path toward sustainable development, provided that enabling policies and collaborative ecosystems are in place.

Understanding Sociopreneurship

Sociopreneurship (social entrepreneurship) is the pursuit of innovative solutions to social problems through entrepreneurial principles. In Nigeria, where socioeconomic challenges such as poverty, unemployment, inadequate healthcare, and poor education persist, sociopreneurs play a crucial role in driving inclusive growth and sustainable development.

A social entrepreneur is someone who recognizes a social problem and uses entrepreneurial principles to organize, create, and manage a venture to make social change. Whereas business entrepreneurs typically measure performance in terms of profit and return, social entrepreneurs assess their success in terms of the impact they have on society. Dees (1998) as cited in Ogunyemi (2012) however, defines it as characteristic of people who adopt a mission to create and sustain social value (as opposed to just private value); who recognize and relentlessly pursue new opportunities to serve that mission; who continuously innovate, adapt, and learn; who act boldly and beyond the resources they possess; and who exhibit a high sense of accountability for their results to the society.

Studies indicate that social innovation is a key driver in empowering individuals and communities, with social value and impact also playing crucial roles in poverty reduction. However, challenges such as limited access to funding, inadequate infrastructure, and regulatory hurdles impede the full potential of sociopreneurship.

In Nigeria, sociopreneurs are tackling issues across various sectors. For instance, in agriculture, 'Babban Gona' which translates to 'Great Farm' in Hausa founded in year 2012 by Kola Masha supports smallholder farmers with training, access to inputs, and a cooperative marketing platform, enhancing productivity and income. And in waste management, Wecyclers are promoting environmental sustainability and socioeconomic development by way of recycling through a cargo bicycle collection system. Founded also in the year 2012 by Bilikis Adebisi-Abiola, the initiative empowers low-income communities in Lagos to recycle by offering incentives and creating job opportunities.

These ventures demonstrate how sociopreneurship can drive meaningful change and inspire others to contribute to societal development.

The significance of sociopreneurship in Nigeria is underscored by its alignment with the United Nations Sustainable Development Goals (SDGs), particularly in poverty alleviation, quality education, gender equality, and economic growth.

In summary, sociopreneurship is a transformative approach that combines business acumen with a passion for social impact, leading to sustainable solutions that benefit both individuals and communities.

THE MAJOR FEATURES OF SOCIOPRENEURS

Unlike traditional entrepreneurs who primarily focus on profit, sociopreneurs aim to create value that benefits society at large. This approach is often described as "doing good while doing well." Therefore, Sociopreneurship is a dynamic approach that merges the principles of entrepreneurship with a strong commitment to social impact. It involves creating and managing ventures that address societal challenges through innovative, sustainable, and scalable business models.

Some of the major features of Sociopreneurs includes:

1. Responsiveness to Socioeconomic Challenges

A defining feature of sociopreneurs in Nigeria is their responsiveness to deep-rooted socioeconomic challenges such as poverty, unemployment, poor education, and inadequate healthcare. Unlike traditional entrepreneurs who are primarily profit-driven, sociopreneurs identify these social issues as opportunities to create impactful and sustainable solutions (Bornstein, 2007). For instance, in communities where unemployment is high, sociopreneurs establish enterprises that provide training and employment for youths, thereby addressing both livelihood needs and social stability. Similarly, in rural areas with weak healthcare systems, sociopreneurs develop mobile health solutions to close gaps in service delivery. This ability to directly respond to societal problems positions sociopreneurs as innovative actors in addressing Nigeria's developmental deficits (Olutayo & Akanle, 2018).

2. Innovation and Hybrid Business Models

Sociopreneurs rely heavily on innovation and the adoption of hybrid business models that blend profitability with measurable social impact. Drawing from the principles of Social Innovation Theory, they create new ways of delivering services that meet the needs of underserved populations while ensuring financial sustainability (Mulgan, 2006). For example, edu-tech sociopreneurs provide affordable digital learning platforms that increase access to education for low-income students, while agritech startups connect smallholder farmers to markets through mobile applications, improving both income and food security (Akanle & Adebayo, 2019). This dual focus on business viability and social value distinguishes sociopreneurs from traditional NGOs or purely commercial entrepreneurs. Their commitment to balancing social purpose with entrepreneurship ensures their ventures remain sustainable and scalable.

3. Contribution to Socioeconomic Transformation

Another major feature of sociopreneurs is their long-term contribution to socioeconomic transformation through the creation of jobs, reduction of poverty, and improvement of human capital development. By addressing structural gaps left by government and private sector inefficiencies, sociopreneurs empower marginalized groups and foster inclusive growth (UNDP, 2021). For example, waste recycling sociopreneurs not only reduce environmental hazards but also create new forms of employment in urban centers, contributing to cleaner cities and sustainable livelihoods (Adelekan, 2019). Similarly, social ventures in healthcare and education enhance social inclusion and reduce inequality by making essential services affordable and accessible. Thus, the work of sociopreneurs transcends immediate problem-solving and plays a catalytic role in driving Nigeria toward the Sustainable Development Goals (SDGs).

The identified Social issues that calls for attention

With the Nigerian government and private sector recognizing sociopreneurship as a tool for inclusive development, this study identified the following critical social areas where sociopreneurs can help impact positively. These areas are:

1. According to the National Bureau of Statistics, the country's youth unemployment rate (15-24 years) was 8.6% in Q3 2023 up from 7.2% in Q2 2023).
2. Poor turnout of qualified teachers from our colleges of Education as well as the general shortage of teachers due to lack of interest. A report by the Athena Centre for Policy and Leadership highlights a significant teacher shortage: only about 915,000 qualified teachers were available for approximately 31.8 million pupils.
3. Inadequate healthcare access and inadequate infrastructure which unfortunately has led to deaths of many (women and children majorly being the victims) arising from limited access to quality healthcare, especially in rural areas.

4. According to a Reuters report, roughly 40% of Nigeria's population lives below the international poverty line of \$2.15 per person per day. Additionally, Nigeria is reported to be one of the most food-insecure nations, with environmental degradation and conflict contributing majorly to food insecurity.

5. As announced by President Bola Tinubu, Nigeria planned to establish a National Credit Guarantee Company to enhance credit access for underserved groups such as women and youth, alongside the already existing Nigerian Consumer Credit Corporation.

It is good to add here that the Nigerian government has developed policies to promote entrepreneurship and innovation, such as the National Social Investment Programme (NSIP launched in 2016) which target poverty reduction and youth empowerment, establishment of Institutions like the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) provide training, funding, and support to social entrepreneurs, establishment of funds such as the (YouWin launched in 2011) which offers grants and mentoring to young entrepreneurs including those with social impact businesses, access to credit facilities tailored for social enterprises via government banks like the Bank of Industry (BOI) and Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL). With all these efforts by the Nigeria government, it appears more need to be done in the area if effective implementation of these moves. While progress is ongoing, social entrepreneurship is increasingly seen as a vital part of Nigeria's inclusive growth strategy, empowering communities to create sustainable solutions to poverty, unemployment, and social inequality.

KEY AREAS SOCIOPRENEURS CAN MAXIMIZE

Sociopreneurship entrepreneurship, focuses on developing business models that solve social problems while maintaining financial sustainability (Adeola, 2020). Recent studies indicate that sociopreneurs are critical drivers of inclusive growth, particularly in developing nations where institutional capacity is weak (Osabuohien, Efobi, & Gitau, 2021).

Okafor and Amalu (2019) emphasize the role of women entrepreneurs in addressing community-level poverty through sociopreneurial ventures. Similarly, Ojong, Ogar, and Arikpo (2019) argue that youth sociopreneurship provides an intervention strategy for reducing unemployment and fostering innovation.

In year (2022), Yusuf and Onifade highlighted the importance of policy frameworks to promote sociopreneurship in Nigeria, while Abubakar and Yahaya (2023) demonstrate how sociopreneurship empowers youth by addressing inequality and promoting resilience in Sub-Saharan Africa.

From the identified critical social issues, sociopreneurship (social entrepreneurship) in Nigeria can play a transformative role by tackling these several issues that hinder sustainable development headlong. Here are some key areas Nigerian sociopreneurs can focus on:

- i. Fintech solutions, mobile money platforms, and cooperative lending models.
- ii. Creating skill-based training programs, job matching platforms, and microenterprise support for young entrepreneurs.
- iii. Low-cost water filtration, community boreholes, sanitation products, and hygiene education.
- iv. Peacebuilding programs, conflict resolution training, and community-based security platforms.
- v. Affordable housing innovations, community-driven urban planning, and slum upgrading projects.
- vi. Agritech solutions, urban farming, cold storage chains, and farmer cooperatives.
- vii. Recycling startups, green energy solutions, clean cooking technologies, and environmental education.
- viii. Empowerment programs, women-led startups, menstrual health initiatives, and micro-financing for female entrepreneurs.

- ix. Mobile clinics, telemedicine services, health education, and affordable health insurance models.
- x. EdTech platforms, low-cost private schooling, mobile learning centers, and inclusive education models.

Nigeria can therefore harness the entrepreneurial spirit of its populace being Africa's largest youth population to address critical social issues and achieve sustainable development. Which will open up the fallow ground for expansion of the country's digital infrastructure as well as the social sectors like health, education and green energy (World Bank 2021).

IMPORTANCE OF SOCIOPRENEURSHIP

Sociopreneurship in Nigeria is so far helping the country to adopt and actively work toward achieving the United Nations Sustainable Development Goals (SDGs) which includes: no poverty, zero hunger, good health and well being, quality education, gender equality, clean water and sanitation, affordable and clean energy, decent work and economic growth, industry, innovation and infrastructure, reduced inequalities, sustainable cities and communities, responsible consumption and production, climate action, life below water, life on land, peace, justice and strong institutions, and partnerships for the goals (Dodo et al.,2021). Therefore, the importance of sociopreneurship as well as the contributions of sociopreneurs could be seen and felt in the following areas of our daily life as

Nigerians.

1. Poverty Alleviation: with over forty percent of the country's population living below the poverty line, creating job opportunities and improving access to essential services are the main focus here. Hence the establishment of the National Social Investment Programme (NSIP) and the most recent conditional cash transfers initiative of the federal government. The reality is, poverty can not be eradicated anywhere in the world, but it can be reduced to its barest minimum through properly managed poverty alleviation programs especially at the grassroots.(NBS 2020)
2. End hunger: Sociopreneurs use every available resources within their disposal to tackle hunger headlong, achieve food security, improve nutrition and promote sustainable agricultural practices.(FAO 2021)
3. Enhancing Education: Through innovative educational programs and resources.(Adeabayo & Oyinlola 2021)
4. Promoting Health: By providing affordable healthcare solutions and raising awareness.(WHO 2022)
5. Protecting the Environment: Through sustainable practices and eco-friendly products.(Tech Herfica 2023)

These efforts lead to positive social transformation and contribute to the overall wellbeing of society. (NBS,2020)

Identified Socioeconomic Challenges in Nigeria

1. High unemployment rates especially among youth and graduates.
2. Poverty and inequality: Over 40% of Nigerians live below the poverty line (one of the highest in the world).
3. Environmental issues such as waste management, pollution, and climate change effects.
4. Insecurity: Agriculture remains a key sector through which sociopreneurs can carry out their social entrepreneurship for the benefits of communities, unfortunately with the persistent insecurity in most parts of the country this can't be achieved. The implication is that achieving food security, improving on commuters nutrition is not possible in the face of mayhem.
5. Limited access to funding: sociopreneurs inability to access funds needed is one of the major bottlenecks militating against their efficiency and effective delivery of services

being offered. And one sector that is largely hit is the education sector. With over ten million out-of-school children in Nigeria (the highest in the world), government alone can't tackle this menace, sociopreneurs are needed. And for sociopreneurs to achieve and record meaningful success, funds which is a challenge are required.

6. Weak regulatory frameworks: with regional policy disparities between the Northern and Southern parts of the country, sociopreneurs will find it difficult to generally carryout their work and functions productively with a common sense of belonging and without bias.
7. Lack of awareness and recognition: investment in transport for instance is key to diversifying the economy. How popular is this sector especially at the grassroots remains a rhetorical question.

Areas of Impact and Strategic Actions

Area	Projected Impact	What Should Be Done
Job Creation	Increase in employment opportunities, especially for youth and women	Provide low-interest loans, encourage youth startups, and reduce business barriers
Poverty Reduction	Reduction in poverty levels and improved standard of living	Support social enterprises, strengthen financial inclusion, promote community enterprises
Education & Skills Development	Improved literacy, employability, and human capital development	Encourage edtech startups, establish skill centers, integrate entrepreneurship in curriculum
Agriculture & Food Security	Greater food sufficiency, reduced imports, and rural wealth creation	Scale up agritech solutions, build storage/processing facilities, promote mechanized farming
Healthcare Access	Expanded access to affordable and innovative health services	Support telemedicine and mobile clinics, incentivize health startups, foster partnerships
Environmental Sustainability	Cleaner environment, growth of green jobs, and resource sustainability	Support recycling and renewable energy startups, incentivize green practices, enable PPPs
Others (Innovation, Women Empowerment, Advocacy)	Enhanced social inclusion, empowerment, and advocacy for development	Promote women/youth empowerment, support advocacy, create platforms for collaboration

Summary

This work underscores that while sociopreneurship holds transformative potential, it faces systemic constraints in Nigeria chiefly lack of coordination, financial support, and inclusive policy making. The path forward hinges on establishing mutual understanding and structural collaboration between the public and social sectors to truly drive socioeconomic change.

Conclusion

Sociopreneurship in Nigeria has evolved from traditional communal systems to a modern, youth-driven movement blending innovation with impact. While still growing, it plays

an increasingly vital role in addressing Nigeria's complex development challenges. The activities of social entrepreneurs therefore, are found to be complementary to that of the government. The paper has explored social entrepreneurship and discovered that the contributions made by its measures cannot be over-emphasized. Therefore, unless there are deliberate attempts by government to creating enabling environment for smooth and successful engagements and collaborations with the social entrepreneurs to meeting the both rural and urban needs; all efforts and governmental strides to ensuring speedy socioeconomic transformation and sustainable development will remain slow and unattainable.

Recommendations

To enhance the effectiveness of sociopreneurship in Nigeria, it is recommended that the government should:

1. Implement supportive policies that encourage and promote social innovation.
2. Provide access to funding opportunities for sociopreneurs and emerging startups.
3. Offer business training and capacity-building programs to strengthen entrepreneurial skills.
4. Collaborate with entrepreneurs, tech hubs, and innovation centers to build a conducive ecosystem for social enterprises.
5. Prioritize sociopreneurship as a tool to tackle socioeconomic challenges, including unemployment, poverty, and inequality.

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