

**EFFECT OF EXTERNAL BUSINESS ENVIRONMENT ON ORGANISATIONAL
PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES IN NIGERIA: A
CASE STUDY OF SME'S IN LAGOS, NIGERIA**

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(18PAB01884)

SEPTEMBER, 2021

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**A DISSERTATION SUBMITTED TO THE SCHOOL OF POSTGRADUATE
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BUSINESS ADMINISTRATION IN THE DEPARTMENT OF BUSINESS
MANAGEMENT, COLLEGE OF MANAGEMENT AND SOCIAL SCIENCES,
COVENANT UNIVERSITY.**

SEPTEMBER, 2021

ACCEPTANCE

This is to attest that this dissertation is accepted in partial fulfilment of the requirements for the award of the Degree of Masters of Business Administration (MBA) in Business Administration in the Department of Business Management, College of Management and Social Sciences, Covenant University, Ota.

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DECLARATION

I, **AYOADE, HABIB OLAYEMI (18PAB01884)** declare that this research was carried out by me under the supervision of Dr. Augusta Amaihian of the Department of Business Administration, College of Business and Social Sciences, Covenant University, Ota, Nigeria. I attest that the dissertation has not been presented either wholly or partially for the award of any degree elsewhere. All sources of data and scholarly information used in this dissertation are duly acknowledged.

AYOADE, HABIB OLAYEMI

.....

Signature and Date

CERTIFICATION

This is to certify that this research study titled “**EFFECT OF EXTERNAL BUSINESS ENVIRONMENT ON ORGANISATIONAL PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES IN NIGERIA: A CASE STUDY OF SME’S IN LAGOS, NIGERIA**” is an original research work carried out by **AYOADE, HABIB OLAYEMI (18PAB01884)** in the Department of Business Administration, College of Business and Social Sciences, Covenant University, Ota, Ogun State, Nigeria under the supervision of Dr. Augusta Amaihian. We have examined and found that this work is acceptable as part of the requirements for the award of the Degree of Masters of Business Administration (MBA) in Business Administration.

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DEDICATION

This research work is dedicated to God Almighty for His unwavering grace, mercy, and strength.

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ABSTRACT

The external business organisation operates on a highly dynamic, chaotic, fluctuating, and complex environment. The business organisation is subject to swift and unpredictable changes in the external environment. This environment constitutes an important role in the formation and advancement of the business enterprise. To this end the objective of this study was to assess the effect of external business environment on entrepreneurial performance of Small and Medium Enterprises in Lagos State. This research adopted the quantitative research method as the researcher intended to measure respondent's opinion on the subject matter by quantifying their responses using data, which was analyzed statistically. This study adopted both explanatory and descriptive research design. Therefore, target population figure for this study comprised 6,602 micro and small enterprises in Lagos drawn from manufacturing, wholesale/retail trading and services. The sample size for this study was 118 micro and small enterprises in Lagos State. This study adopted multistage sampling method using the purposive, stratified and simple random sampling technique which were deemed suitable for representativeness of the sample. Data retrieved from this study survey was analyzed using descriptive and inferential statistics. Regression analysis was deemed suitable for confirming the study hypotheses because it helped to examine the strength, degree and direction of association between the study variables. The results of this study supported the direct effect of infrastructural facility on job creation, significant effect of Taxation policies on sales revenue of SMEs, government policies significantly improve product quality of SME's and a significant contribution of financial institution on growth of SMEs. The study recommended that there is need for government and governing agencies to create policies and regulations that creates an enabling environment for the support, growth and development of the SME sector in the country.

Keywords: Business Environment; Entrepreneurial Performance; Small Scale Enterprises; Lagos State