



A QUALITATIVE ANALYSIS OF THE IMPEDIMENTS TO BUSINESS INNOVATION AND INFORMATION MANAGEMENT IN NIGERIA: A POLICY STANCE

Ololade Grace Adewole¹⁺

Festa Ndotimi Okrigwe²

Jacob Kehinde Opele³

Kehinde

Oluwaseun Omotoso⁴

^{1,2,3} National Centre for Technology Management (NACETEM), Obafemi Awolowo University, Ile-Ife, Nigeria.

¹ Email: ololadegrace@yahoo.com

⁴ National Centre for Technology Management (NACETEM), Obafemi Awolowo University, Ile-Ife, Nigeria; DST/NRF SARChI Chair in Social Policy, College of Graduate Studies, University of South Africa, Pretoria, South Africa.



(+ Corresponding author)

ABSTRACT

Article History

Received: 11 August 2020

Revised: 19 October 2020

Accepted: 2 November 2020

Published: 16 November 2020

Keywords

Impediments
Business Innovation
Management
Policy
Nigeria.

The ability of the Nigerian business sector to actively engage in innovative activities is germane to sustainable national growth and development. While the government has the primary responsibility to formulate policies that can mitigate societal problems and sustain economic stability, the business sector in the country has continued to experience government failure to implement previously formulated policies. The current study attempted to investigate the impediments to Nigerian Business Innovation and Information Management through the lens of a qualitative approach. The authors conducted a guided oral interview through the WhatsApp platform which was created to gather all impediments to the survey from the field officers who took an active part in data collection in six geopolitical zones in Nigeria. Subsequently, data gathered was analysed through Atlas. Ti version 8 software and the findings were presented by the regional spread. The study revealed that there are benefits in conducting a national business innovation survey, and these include input into effective planning, formulation, and implementation of relevant policies for sustainable development in the country. The outcome of the survey helps to benchmark the results with what obtains in other African countries. Key impediments include the firm's unwillingness to declare turnover because of the fear of an increase in tax policy and poor collaboration between the government and the industry. It was recommended that the government should come up with policies that will encourage business activities in the country and improve the relationship between the government and the industry.

Contribution/Originality: This study contributes to the existing literature by examining the impediments to Nigerian business innovation and information management. The study uses a qualitative analysis approach. The study documents one of the policy strategies that can be used to drive sustainable business innovation activities in Nigeria.

1. INTRODUCTION

The ability of the Nigerian business subsector to actively engage in innovative activities is germane to sustainable national growth and development. Likewise, government at all levels has the primary responsibility to

formulate policies that can mitigate societal problems and sustain economic stability (Akinyede & Elumah, 2017; Tochukwu, Nwafor-Orizu, & Eze, 2018) as well proffering possible action plans to achieve formulated goals and objectives. Undelikwo and Enang (2018) added that a society that does not have and does not make a conscious effort to cultivate a culture of collection and utilization of accurate data at the various levels of government would ultimately not appreciate the value of participating in a national survey exercises and ultimately stand a chance of not accepting its outcome. These scholars further argued that business performance and innovation activities could promote economic growth and development and are critical sources of information that can serve as input into government policy formulation (Asmat, 2016). The government's inability to execute favourable fiscal policies and policy inconsistencies have undermined the development of business activities in the country (Eniola & Entebang, 2015). Naudé, Szirmai, and Goedhuys (2011); Ofili (2014) shared the same sentiment when they reasoned that one of the problems with developing countries is the inadequate policy and institutional environment for entrepreneurs to thrive and thus suggested that the government should come to terms with the relevance of innovation and implement innovation-friendly reforms that could provide policies that will encourage the development of the nation's business subsector. Eniola and Entebang (2015) highlighted some Government actions to facilitate the growth of business activities in the country. The study of Egberi and Monye (2015) revealed that government policies helped to promote peace and security for business to thrive, develop the skills of business personnel through seminars and workshops, skill acquisition centres and sponsorship to specialized centres of which was possible via the involvement of all stakeholders in its policy implementation. Literature has shown that societal problems can be identified through research activities, and consequently, strategies can be formulated from research findings from such research and experimental development (Akinyede & Elumah, 2017).

2. STATEMENT OF THE PROBLEM

According to Alabi, David, and Aderinto (2019) Nigeria has formulated several policies and frameworks to facilitate the performance and growth of the business sector. Unfortunately, these policies and frameworks appear to have been largely implemented poorly. The Nigerian business associations and firms within the business, subsector have had to contend with various economic irregularities due to poor government policy formulation and implementation and, as such, are unwilling to collaborate with the government on policy issues that affects their businesses (Akinyede & Elumah, 2017; Hoffmann & Melly, 2015). The National Centre for Technology Management (NACETEM), an agency of the Federal Ministry of Science and Technology observed these impediments from the results of its pilot survey of the 'Nigerian Business Innovation' and thus identified a need to investigate policy issues associated with sustainable business innovation management in the country, through the lens of the qualitative analysis approach. Therefore, this study seeks to investigate the impediments to Nigerian business innovation and information management through the lens of qualitative analysis. It is expected that the outcome of this study will not only identify the impediments but also suggests how policy can be used to drive sustainable business innovation activities in the country.

3. METHODOLOGY

The survey instrument: WhatsApp platform was created for data collection in three geopolitical zones in Nigeria (North Central, South-East, and South-South) on the impediments facing the conduct of a national business innovation management. Subsequently, field workers who took an active part in the administration of the main survey was interviewed through this platform and their experiences subsequently gathered in this study. The questions raised in the survey instrument (questionnaire) was adapted from the OECD's Oslo Manual. The instrument was divided into eleven parts. Part 1: Information on the general enterprise information and operations; part two focused on innovation, part three: activities to support innovation, part four: public financial support for innovation activities, part five: sources of information or ideas for innovation, while part six: co-operative

arrangements for innovation, part seven: objectives and effects of innovation, part eight: innovations with environmental benefits, part nine: intellectual property rights and licensing, part ten: uptake of information communication technologies for innovation and the last part eleven: focused on non-innovators. All concern authorities and associations were contacted before the commencement of the survey to enhance the response rate.

Data collection: The data gathered in this research was sourced through the qualitative approach. That is, through guided oral interview method. The questionnaires were administered to both service and manufacturing firms in the three geopolitical zones in Nigeria. Common issues recur, and main themes were identified to summarise all the views that have been collected. Some of the themes that emerged were doubt of benefits from the government, retrieval problem, the scare of tax, strong apathy for filling the questionnaire, and nonresponse.

Data Analysis and presentation of results: The discussion on the WhatsApp platform among the field workers was imported to Atlas. Ti version 8 software for analysis. Quotations were coded, and network diagrams were drawn to show the issues raised and challenges encountered during the survey. The results of the qualitative analysis were presented based on zonal responses.

4. RESULT

4.1. Reporting the Impediments to Business Innovation in Nigeria

The field workers were asked if there are any challenges they faced on the field during the data collection. The majority of the respondents said the firms' complaints on the bulkiness of the instrument. Next to the complaints about the instruments' bulkiness is that the firms are not willing to disclose the annual turnover and business registration number as requested from the questionnaire. More so, the fieldworker discovers that the respondents were too busy to attend to such a survey. Also, one of the associations is discouraging the firms registered under them to fill the questionnaire. There is an issue of the wrong address or no signpost to identify the firm in their location. Also, the respondents have strong apathy to complete the questionnaire because of the situation in the country. Themes that were identifies were shown in [Figure 1](#), and some of the excerpts are highlighted below.

4.1.1. Respondents are not Cooperating

Participant: However, the process is very challenging as some people are not cooperating

North West zone

Participant: There is this firm that I took my time to interact with the manager, and I was so sure that Der was not anything stopping him from completing d questionnaire, to my greatest surprise he called me few days after to tell me that he is sorry he cannot fill it as his MD instructed him not to

Participant: Honestly d responses am getting lately from almost all d firms I distributed is not encouraging at all

Participant: others sometimes ignore my calls

South West zone

4.1.2. The Respondents are too Busy to Fill the Questionnaire.

Participant: I discovered that because of the bulkiness of the questionnaire, you have to sit with the respondents to get accurate responses. Furthermore, in most cases, they are too busy to sit with the enumerators.

North West zone

Participant: Dey now tell me on d phone Wen I call to ascertain d completion of d questionnaires that I should come n collect it, that it is not filled and maybe When next d agency is conducting such survey, they might be interested, but for now, they are too busy

South West zone

4.1.3. Complaint on the Complex and Bulkiness of the Questionnaire

Participant: I discovered that because of the bulkiness of the questionnaire

North Central zone

Participant: Complaint about the bulkiness of the questionnaire

North West zone

Participant: Secondly. many complain that the questionnaire is very voluminous and that they do not have the luxury of time to fill it even after much persuasion

South-South zone

4.1.4. Some Firms Do Not Want to Have Anything to Do with the Government

Participant: Some will tell you anything from the government they do not need

North Central zone

4.1.5. Firms Do Not Want to Associate with Nigeria

Participant: If you approach some places, they will tell you they are not ready to accept it because they do not want to be Nigerians

North Central zone

4.1.6. Firms Doubt Any Benefits from the Government

Participant: The truth is they do not believe in anything coming from d federal govt anymore

Participant: This is also a result of not having any trust it believes in federal govt. Cos if they genuinely believe/trust d federal govt, they will make out time to fill it

South West zone

4.1.7. Firms Want Benefits from the Government Before they Fill the Questionnaire.

Participant: In my discussion with a company, I was asked: "In what way are we going to benefit from this"? I asked if he is aware of the proposed increase in tax levied on companies? He said yes... I told the manager that our findings could help change the policy if our survey is adequately attended to... That was when they started listening.

Participant: We must find a way of convincing them. God help us all.

South West zone

4.1.8. Lack of Trust on the Mission

Participant: Lack of trust in our mission

North West zone

4.1.9. Manufacturing Firms becoming too Challenging to Comply

Participant: Manufacturing is becoming difficult

South-East zone

4.1.10. Misplacement of the Questionnaire Given to the Firm

Participant: have a question of what is expected of us...in a case where a company did not fill the survey and claimed they could not find it? They are are not interested in partaking in the exercise and could not find the copy given to them.

South West zone

4.1.11. Not Willing to Disclose Their and Business Registration Number

Participant: Good sirs, the exercise is still ongoing smoothly by His grace, but this issue of annual turnover some places no matter the kind of English you speak to them, they will never disclose or write it.

Participant: The issue of turnover is another challenge as many CEOs are afraid to disclose or exposed their turnover mostly because of the fear of TAX; some would even reduce the annual turnover to the minimal amount possible.

North Central zone

4.1.12. One of The Firm's Association Complicating the Survey Asking Members to Disregard the Questionnaire

Participant: You are advised to disregard the above research document being circulated the association is not aware of it.

Participant: No wonder I met some my questionnaires unfilled and returned at the security posts.

Participant: Den it is not just Oyo chapter cos I also got a similar reaction from some firms.

Participant: Funny, Nigeria! Do they need the association to complete the questionnaire? If it were to be money, would they consult "the association" before they collect it? Funny, though, but not discouraged. WE SHALL GET THERE!

South West zone

4.1.13. Respondents Doubt If the Survey Will Benefit the Business Sector

Participant: Since NACETEM had done this kind of survey before, what policy did we formulate, and how did business enterprises benefit from it?

Participant: Some places may even ask what is the importance of this to them and so on

North Central zone

4.1.14. Retrieval Was Difficult

Participant: Unfulfilled promises you have to come to some offices five times like that, and even you came, that is when they will remember your deals with them.

North Central zone

Participant: Most of those that eventually filled the survey I distributed are those who ignored my calls and messages most... Though they did not attend to it until I revisited them after three weeks of distribution

South West zone

4.1.15. Scare of Tax

*Participant: The exercise is going on well at the moment; however, most of the organizations are scared of tax, that is why they always skip the *annual turn over* section.*

North Central zone

Participant: There are some challenges sir, some rejected us under the pretence of thinking we are taxing personnel in disguise.

North West zone

4.1.16. Scared of Filling the Questionnaire

Participant: Another is scared of filling the form; I do not talk tire.

South-East zone

4.1.17. Some Firms Do Not Want Their Information To Be Disclosed

Participant: Good afternoon sir, my experience is when I give them they assure me that is going to be filled but going back there again, I will be given empty form and do not like their information to be disclosed.

North Central zone

Participant: This is the same issue been encountered here in pH, at first contact the client will accept to fill the form and will request to read through and make consultation b4 filling the form, in most cases, they will ask you to come back later to pick up the form, at your return, you will find out they have not attended to the form when you probe further why they have not completed the form they will not even tell you any reasonable excuse, while some will tell you that the questionnaire is demanding very confidential information they cannot release.

South-South zone

4.1.18. Some Want Incentives before Filling the Questionnaire

Participant: I just finished negotiation with an MD on how much I am to pay to have him fill the form.

South-East zone

4.1.19. Strong Apathy to Complete the Questionnaire Because of the Situation in the Country

Participant: Blc of things happening in the country some will tell you they are not ready to give any information

Participant: Challenges are many, some do not want to respond

North Central zone

Participant: Strong apathy to complete the questionnaire

North West zone

4.1.20. Timing on the End of the Year Report

Participant: Specific challenges encountered: Complaints about the timing concerning organization end of year reports preparations.

North West zone

4.1.21. Want Money and Not Questionnaire to Fill from Government

Participant: Some after filling it, you have to correct some errors; some will tell you they need money, not a questionnaire, and so many issues, in all this is a very difficult exercise.

North Central zone

4.1.22. Wrong Address/No Signpost

Participant: Good afternoon, my experience yesterday and today show that possibly because of tax, some firms use their home addresses, making it invalid addresses. A total of 5 among 12 visited today was affected.

Participant: When searching for more firms/enterprises, in story building particularly with many firms/enterprises (some may not even have signboard), gaining entrance at the security post is all that is needed, rather than taking the lift, I walked the staircase from one floor to the other, by that if I do not know, now I know all the firms/enterprises and asked if they have ten or more staff.

South West zone

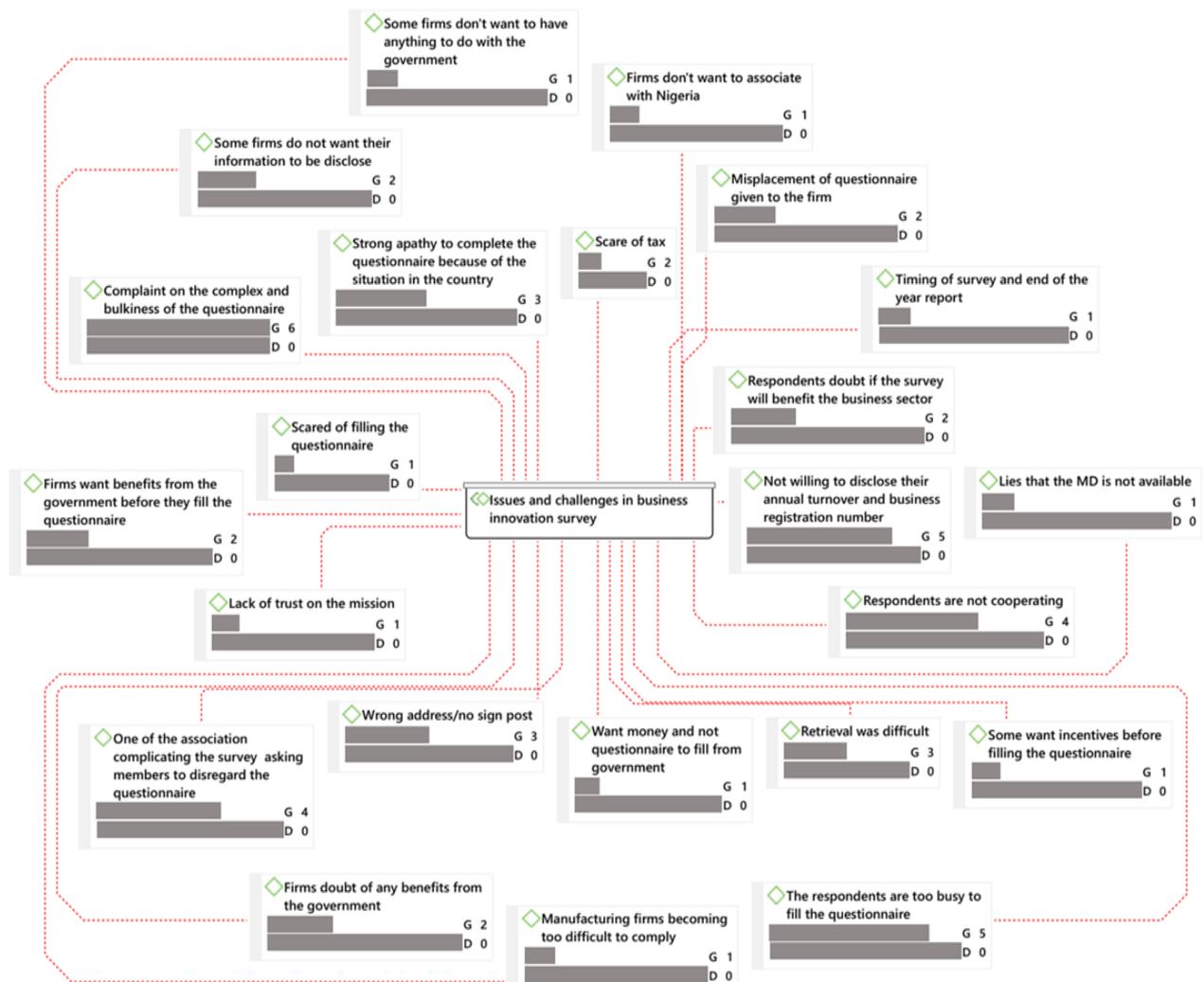


Figure-1. Network Diagram Showing the Impediments in Business Innovation Survey in Nigeria.

5. DISCUSSION

Figure 1 summarised the key impediments to national business innovation survey in Nigeria. The impediments are comprising poor cooperation between the firms and the government due to failure to implement previously formulated policies. This tallies with the findings of Tochukwu et al. (2018), Rasheed (2020). There was also issues of unwillingness to disclose key information such as annual turnover, misplacement of the research instruments which leads to the administration of another copy, fear of completing the questionnaire due to companies stringent policies on the release of confidential information to non-members, the security issues in the country also posed a huge threat to the conduct of the survey. Ofili (2014) in his study, challenges facing entrepreneurship in Nigeria has equally reported a number of these issues. They are suggesting that business activities in Nigeria have been known for managing a series of impediments before their products can get to the market as many such companies were not willing to open their entrance gates for visitors due to fear of unknown. In addition, many were sceptical if their companies will even benefit from the outcome of the survey in the areas of policy implementation. Hence, many were demanding what they stand to gain by filling the questionnaire. This is inconsonant with Oparanma (2015); Mwai (2019) who have highlighted some of the issues. There was the issue of trust that is; the companies did not trust the government for anything due to the past experience of their failure to implement policies that will benefit the companies, the role of the business association was another major barrier to the survey, this means that many of the firms responded to the survey instrument after told to do so by their business association. Otherwise, many were not willing to participate in the survey.

6. CONCLUSION AND RECOMMENDATIONS

Findings from our survey indicated that there are benefits of a national business innovation survey, and this includes input into effective planning, formulation and implementation of relevant policies for sustainable development in the country. The outcome of the survey helps to benchmark the results with other Africa countries. Another important finding from the survey is the need for introduction and incorporation of the word 'innovation' into the National Science and technology policy in Nigeria; this will helps in the policy review. Nonetheless, key impediments include firms unwillingness to declare their turnover because of the fear of an increase in Tax policy. Key recommendations from the survey include the need for government to come up with policies that will encourage business activities in the country. Our study also recognized the need for a strong collaboration between the government and the firms so that subsequent surveys can easily be attended to and its outcome can serve as input into the development of sustainable business policies in the country.

Funding: This study received no specific financial support.

Competing Interests: The authors declare that they have no competing interests.

Acknowledgement: All authors contributed equally to the conception and design of the study.

REFERENCES

- Akinyede, O. M., & Elumah, I. O. (2017). Economic policy and economic stability in Nigeria. *Eurasian Review of Business and Finance*, 1, 1-9.
- Alabi, F., David, J., & Aderinto, O. (2019). The impact of government policies on business growth of SMEs in South Western Nigeria. *International Journal of Management Studies and Social Sciences Research*, 1(2), 1-14.
- Asmat, A. (2016). Do policymakers use data during the policy-making process? PMAS - Arid Agriculture University. Retrieved from: <https://www.researchgate.net/post>. [Accessed 31st March 2020].
- Egberi, A. K., & Monye, M. (2015). Perceptions of the role of government policies in promoting the growth of business in Nigeria: A study of delta state government three point agenda.

- Eniola, A. A., & Entebang, H. (2015). Government policy and performance of small and medium business management. *International Journal of Academic Research in Business and Social Sciences*, 5(2), 2222-6990. Available at: <https://doi.org/10.6007/ijarbss/v5-i2/1481>.
- Hoffmann, L. K., & Melly, P. (2015). Nigeria's booming borders: The drivers and consequences of unrecorded trade. Chatham House Report - Executive, London.
- Mwai, P. M. (2019). Government policies and their effects on business in Kenya. *Open Access Library Journal*, 6(3), 1-14. Available at: <https://doi.org/10.4236/oalib.1105263>.
- Naudé, W., Szirmai, A., & Goedhuys, M. (2011). Innovation and entrepreneurship in developing countries. UNU.
- Ofilu, O. U. (2014). Challenges facing entrepreneurship in Nigeria. *International Journal of Business and Management*, 9(12), 258-274.
- Oparanma, A. O. (2015). Impacts of government policies on the development of small scale industries in Rivers State, Nigeria. Retrieved from: www.researchgate.com.
- Rasheed, A. (2020). Nigeria's border closure: Pros, cons and consequences. Retrieved from: <https://punchng.com/>. [Accessed 16th March 2020].
- Tochukwu, E. K., Nwafor-Orizu, I., & Eze, O. M. (2018). Public policy formulation and implementation in Nigeria: Questions, challenges, and prospects. *Global Journal of Management And Business Research*, 18(3), 2249-4588.
- Undelikwo, V. A., & Enang, E. E. (2018). Culture and data collection controversy: An albatross to accurate census in Nigeria. *Academic Research International*, 9(3), 82, 90.

Views and opinions expressed in this article are the views and opinions of the author(s), International Journal of Business, Economics and Management shall not be responsible or answerable for any loss, damage or liability etc. caused in relation to/arising out of the use of the content.