

Your topic: LOCAL CONTENT: THE PROMOTION AND GROWTH OF SMALL AND MEDIUM SCALE ENTERPRISES ON THE OIL AND GAS SECTOR IN THE NIGER DELTA, NIGERIA

Your topic's description: Normal dissertation pattern : introduction, literature review, develop conceptual model, methodology, data analysis and interpretation, conclusion and recommendation

Your desired style of citation: Harvard Referencing

Referencing Style: Harvard Referencing

Number of page: 60

Words: 15000

Local Content: The Promotion And Growth Of Small And Medium Scale Enterprises On The Oil And Gas Sector In The Niger Delta, Nigeria

Abstract

The main aim of this research study is to evaluate the ways in which local content policy contributes in the promotion and growth of the SMEs in the oil and gas sector of the Niger Delta, Nigeria. In order to achieve the objectives of the study, the researcher made use of both primary and secondary data. Primary data is collected by making use of survey in which the questionnaire of 10 close-ended questions was sent to the selected organisation. The organisation that is selected in the study is Allied Energy PLC. Moreover, secondary data is collected from different journal articles and research papers. It is noticed from the results of the study that SMEs have various growth and promotion opportunities due to introduction local content policy. However, some of the common methods that was raised due to local content and can be used by SMEs for promoting their business in the oil and gas sector includes communicational link with stakeholders, cross cutting strategy, gender equality, peace, sustainability, and investment in physical infrastructure. These prominent ways related to local content can be used by the SMEs such as Allied Energy PLC for promoting and growing their business in this particular sector.

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Chapter 1: Introduction

1.1. Background of the Study

The oil and gas sector of Nigeria play vital role towards the sustenance of the nation and boost the development and economic activities. The oil and gas of the Niger Delta is considered as the live wire of the nation due to its significance role. It is noticed that the country spends billions in the operations of this industry, which includes construction, engineering procurement, fabrication, and others. However, huge amount of money is spent in this industry but little proportion of profit is spent in Nigeria. The oil and gas industry has served as the main stay of the Nigerian economy after the discovery of crude oil but due to drop in the prices of the crude oil in the international market, the economic environment has become unhealthy and devastating. The operations of the oil and gas sector of the Niger Delta are divided into two categories that are upstream and downstream. Moreover, the country also became the member of the Organisation of Petroleum Exporting Countries (OPEC) in 1971, which provided opportunities to the members in relation to control of the petroleum sector of the Nigeria by increasing participation through National Oil Companies (NOCs) (Ackah-Baidoo, 2012).

It is noticed that Nigerian National Oil Company (NNOC) was developed in the same year, which was followed by the establishment of Ministry of Petroleum Resources (MPR). The national oil companies in some of the member countries of OPEC took direct control of the production operations due to which multinational oil companies of Niger Delta were permitted to continue with such operations under joint operating agreements. Moreover, in 1977, the MPR and NNOC merged which resulted in the successful operation of Nigerian National Petroleum Corporation (NNPC). Furthermore, Ayoola and Salawu (2012) stated that Local Content Policy

was introduced by the federal government with the intention to address the irregularity in the Nigerian oil and gas sector. However, the performance of this policy was below the expected level due to which inadequate accommodation of small and medium enterprises in the oil and gas industry took place. De Vita and Lagoke (2015) stated that oil and gas industry of the Nigeria is spending more than \$10 million in a year under different types of profit sharing contracts and joint ventures. This depicts the fact that the oil and gas sector of the Niger Delta serves as the basic means of increased opportunities for growth and promotion of small and medium scale enterprises.

One of the major reasons behind low local content is that most of the service contracts are given to foreign organisations due to local indigenous organisations that lack the requisite skills, work force, technical expertise, production capacity, and the ability to compete favourably in this industry. The low local content in the Nigeria aroused from deficient capitalisation arising from the tendency of Nigerian entrepreneurs to operate as one-man businesses. It was also due to deficiencies in structural and capital aspect that are linked with low managerial ability and poor training. Small and medium scale enterprises are considered as the sinequanon to economic development. SMEs are recognised as the key driver, backbone, and catalyst of the economic development of the countries particularly Nigeria. They play vital role in the provision of products and services, wealth creation, job creation, enhancement of better living standards and contribution to the GDP of many countries. It is noticed that Local Content policy promotes increased participation of small to medium sized enterprises in order to take advantage of such opportunities due to which value addition to the nation is enhanced (Ariweriokuma, 2008; Akinlo, 2012).

Small and medium scale enterprises are identified as requisite component of national development of the country such as Nigeria. Although, Nigeria is the major oil producing country and earns wide amount of revenues from this sector, it is ranked among the poorest countries of the world. Moreover, unequal distribution of the environmental degradation and oil wealth that arises from the exploration activities is recognised as the main factors. These exacerbate activities from inter-ethnic conflicts, rights groups, and civil disturbances from the ethnic legionnaires. However, despite this fact, the oil and gas sector of the country has contributed widely towards the promotion and growth of SMEs. This is because the economic development and sustainability took place in the country due to which the opportunities for the small and medium enterprises were boosted. Therefore, based on this, it is evaluated that the oil and gas sector of the Niger Delta has opened various opportunities for the SMEs in order to growth and promote their business domestically as well as internationally (Kebede, et al., 2010; Atsegbua, 2012).

Obi (2010) stated that SMEs in Nigeria were facing various difficulties among which funding are the most significant because banks do not consider them as attractive for giving credits. Therefore, they have to rely on their own savings for growing and innovating, which was not enough for expansion and promotion. However, boost in the oil and gas sector proved to be beneficial for the SMEs because the economic condition of the country improved. With the boost of the oil and gas sector, the promotion and growth opportunities for the SMEs increased because it attracted foreign direct investment in the nation. FDI was the main reason behind growth and promotion of SMEs because the economic condition of the country was improved as level of export increased in comparison to import. This depicts the fact that oil and gas sector is the main contributor in the stability of the economy of Nigeria. Therefore, as Niger Delta is the main

country in terms of oil and gas production and distribution, the small and medium scale enterprises in this part of Nigeria were able to grow and promote their businesses at higher levels.

1.2. Aim and Objectives

The main aim of the study is to assess the ways in which local content policy contributes in the growth and promotion of small and medium scale enterprises in the oil and gas sector of the Niger Delta. To achieve this aspect some of the objectives are as follows:

- To analyse the concept and role of local content policy in the promotion and growth of small and medium scale enterprises of Niger Delta
- To evaluate the benefits and challenges that small and medium scale enterprises in the oil and gas sector of Niger Delta have to face in relation to promotion and growth of this business sector
- To analyse the opportunities that are provided for the promotion of SMEs in the oil and gas industry in Nigerian Delta
- To determine the requirements needed by the small and medium scale enterprises for entering into the market of oil and gas in the Niger Delta.

1.3. Research Questions

The research questions that are used by the researcher for analysing this study are as follows:

- What is the concept and role of local content policy in the promotion and growth of SMEs in the Niger Delta?
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- What are the benefits and challenges that small and medium scale enterprises in the oil and gas sector of Niger Delta have to face in relation to promotion and growth of this business sector?
- What are the opportunities that are provided for the promotion and growth of SMEs in the oil and gas industry in Nigerian Delta?
- What are the requirements are required by the small and medium scale enterprises for entering into the market of oil and gas in the Niger Delta?

1.4. Significance of the Study

It has been observed that oil and gas sector is very essential for any country as it provides numerous opportunities and employment developments in any country. In the case of Nigeria, it does the same; however, there are some drawbacks and glitches associated. This study is important for the reason that Nigerian economy significantly relies on its oil and gas sector, which contributes heavily in building the country's economy. For this purpose SMEs plays a vital role in the oil and gas sector.

1.5. Research Structure

This dissertation follows the standard structure of Harvard citation style.

Chapter One explains the subject to be reviewed, different backdrop data and presents aim and objectives of research.

Chapter Two explains an assessment of the literature pertaining to the subject. Various recent studies on the research topic would be determined to analyse the perceptions of different authors regarding the topic in depth.

Chapter Three explains the research methodology used in this study. It provides an overview of the strategy of the dissertation, performed study approach, data collection method and data analysis method.

Chapter Four explains the results from the methodology and discuss the results.

Chapter Five presents the conclusion and recommendations for future work

Chapter 2: Literature Review

2.1. Introduction

The aim of this chapter is to critically evaluate some of the previous studies linked to the research topic that is promotion and growth of small and medium enterprises in the oil and gas sector of Niger Delta, Nigeria. The research aim and objectives provided in the previous are discussed in the light of previous studies in order to provide an overview of the contexts that are currently argued.

2.2. The Development of Oil and Gas Sector

It is noted that the financial and economic development is a best way to enhance the financial prosperity for a nation by making employments and developing opportunities for generating incomes. According to Tuodolo (2009), economic development has a direct relationship with the overall conditions of the country. It can be said that when income is invested into business, it results in the development of the economic condition of the country in terms of increased GDP or national income. It is evaluated that income from a country's regular assets affects economic development and growth. Ayoola & Salawu (2012) argued that in the current era of technological advancement, countries that possess natural resources especially oil and gas resources are self-sufficient, as they can take potential benefits from these resources. It can be said that natural resources indicate the potential advantages of economic development, different employment opportunities, expanded national incomes, international trade, the change of business and working system, and the support of different businesses.

Omofonmwan & Odia (2009) stated that in the case of Nigeria, the country is rich with natural resources especially oil and gas resources but because of the corrupt internal system of the country there is a trend of slow development and growth especially when it comes to the

development of SMEs. For instance, energy resources, transportation, political, financial frameworks, and speculation environment have been reducing in Nigeria. Therefore, it can be said that the base of the country is still poor and due to lack of training and knowledge, people found it difficult to adjust with the technologically advance system. Akinlo (2012) argued that it is important for the companies and authorities working in Nigeria to help their people learn modern and innovative technique in order to grow and develop in the Nigerian oil and gas sector because production and extraction of oil requires use of innovative equipment. This is done with the intention to stable the economy for the welfare of the country and people. In the current era of advancement, it is important for the countries like Nigeria to increase learning and development opportunities for their local companies especially SMEs so that they can contribute in their economy and help the grow economically and financially.

2.3. Development of SMEs in Oil and Gas Sector

Aigboduwa & Oisamoje (2013) stated that small and medium enterprises (SMEs) play important role in the development and maintenance of economic balance of a country. They are considered as the means of economic development and growth due to the fact they open door of increased revenue. It can be said that developing nations concentrate on the SMEs segment and guarantees its promotion and growth so that they end up succeeding even in the difficult and complex business framework like Nigeria. It is observed that despite of being rich with natural resources, national and international organisation found it difficult to maintain potential growth of industry because of its corrupt working system. It can be said that the promotion of SMEs in the business sector of Nigeria especially oil and gas sector might help the authorities to provide employment opportunities as well as economic stability. This is because oil and gas are the main means of supporting growth as it attracts investment, which increases export.

According to Oisamoje (2013) SMEs are important sector in the general modern economy of the nation. It is observed that in South Africa, the term small, medium, and micro enterprises (SMMEs) are normally utilised. While in Nigeria, the term small and medium scale enterprises (SMEs) are the major working sector. Small and medium enterprises are ventures that have the ability to utilise at most five hundred workers at once and it has been turned out to be the foundation of each economy. Moreover, it is observed that many multinational corporations and giant groups engage these SMEs in the operation of huge groups in order to help them develop and grow in the competitive market. Tende & Obumneke (2014) argued that in economic development and growth, the significance of SMEs is to incorporate rapid improvement, expanded usage of local assets, finding of a preparation ground for original management, semi-talented labourers' impoverishment of the rural urban float, advancement of indigenous innovation and raising the expectation for everyday comforts of provincial occupants and others. SMEs represent the economic development in most developed economic matters of the world today.

2.4. Nigerian Economy and Oil and Gas Sector

Adeoye (2007) stated that the Nigerian oil and gas sector assumes an exceptionally predominant part in the country's economy. It earns more than ninety per cent for every penny of the outside trading profit originating from the sale of crude oil. It is noted that Nigeria is Africa's most crowded, resource rich nation with a populace of around one-hundred and forty million. It is comprised of more than two-hundred and fifty ethnic gatherings and in the past is affected by unending political trembling, awful administration, lacking foundation and full scale financial blunder. According to Ayoola & Salawu (2012), Nigeria has around thirty-six billion barrels of raw petroleum and twenty billion cubic meters of common gas. It is evaluated that the nation has

acknowledged around six hundred billion US dollars since 1956 when it initially found oil in business amount in Oloibiri, present day Bayelsa state-from oil and gas. Other than the expansive raw petroleum and common gas stores, there are stores of gold, tin, talc, gemstones, kaolin, bitumen, iron metal, and barites that can be saddled to acquire outside trade for the nation. Oil and gas remains the nation's real wellspring of remote trade earning and income base.

In reality, throughout the years, oil has turned into the backbone of the Nigerian economy, as the incomes from unrefined petroleum are utilised for system improvements and additionally enhancing the financial wellbeing of Nigerians. Leo (2013) stated that the Nigerian government earns from oil through the offer of unrefined gas, Petroleum Profit Tax (PPT), eminences and rent (from the business administrators). In addition, the exercises in the oil and gas industry are ordered into the Upstream and Downstream segments. Three noteworthy business plans are worked in the business, which includes Joint Ventures (JV) i.e. Joint Operating Agreements (JOA) between the Federal government and multinational administrators, for example, Shell, Agip, Chevron, and Elf.

Production sharing contract (PSC) is the courses of action between the management and administrators, where NNPC goes about as concessionaire, ordinarily in the profound seaward processes where the administrator stores investigation, advancement, creation exercises, and incomes are shared between both sides. Similarly, Service Contract (SC) is the situation in which Oil Prospecting License (OPL) title is held by the NNPC, while, the superintendent assigned, as the direction contractual worker gives every one of the assets required to investigation and generation works. In the case of a business aspect, the temporary worker recovers its expense in accordance with the systems specified in the agreement (John, 2011).

According to Ayoola & Salawu (2012) the distinction with the PSC is that while the SC covers stand out OPL, the PSC may compass more than two or more OPLs at once. Moreover, the SC covers a settled time of five years and ought to the exertion result in no business revelation, the agreement naturally ends. Sanusi (2012) argued that extensively the oil and gas sector is divided into two categories that are upstream and downstream oil and gas exercises. Upstream oil and gas exercises include operations in the ranges of Exploration and Production of oil. In incorporates benefits that prompt these exercises that is from penetrating the introductory examination wells, through seismic information handling, to boring of wells and extraction of unrefined petroleum, condensates, natural gas or related gas from the well. The Nigerian government is a noteworthy financial specialist in the generation exercises of the upstream part and her exercises are co-ordinated principally by the NNPC, which have offers in the major upstream exercises. It has been indicated by Atsegbua (2012) that the downstream oil and gas division include refining the items from raw petroleum, and dissemination until it achieves the last customer. There are three fundamental utilitarian ranges inside of the downstream division - refining, dispersion, and advertising of petroleum items. The downstream part is of vital significance to the country, as petroleum items constitute a key wellspring of vitality utilised for different purposes

In spite of being a noteworthy oil-delivering nation for quite a long time, and collecting immense incomes from oil, Nigeria is positioned as one of the poorest nations of the world. Additionally, Akinlo (2012) noticed that the absence of fair appropriation of the oil riches and ecological corruption because of investigation movements have been recognised as key elements infuriating activities from natural rights gatherings between ethnic clashes. In addition, common unsettling influences ethnic volunteer armies, for example, the Movement for the Emancipation of the

Niger Delta (MEND) and Niger Delta Vigilante Force (NDVF). Akinlo (2012) further observed that similar to Nigeria, various oil rich nations are there where their administrations have neglected to make an interpretation of their oil riches into financial manageability and higher expectations for everyday life. Kebede, et al (2010) argued there are additionally a few speculations and suggestions utilised as a part of clarifying the causal linkage between common assets and common clashes, which incorporates "grievance" hypothesis, 'powerless states' hypothesis and "plundering" theory. Aside from the oil riches disappointments, Latham (2011) stated there was additionally the issue of capital flight from the province through duties applied as a part of adjusting the business. The reason for this was credited to the issue of low nearby substance in the OGI.

2.5. Local Content Policy in Nigeria

The term Local Content (LC) relevantly dedicated 'Nigerian Content' has been characterised as the important composite worth included in the Nigerian economy through the usage of Nigerian human and material assets for the procurement of products and managements to the petroleum businesses. Notwithstanding, as per the Chairman Nigerian House of Representative Committee on Petroleum (Upstream), Local substance implies diverse things to distinctive individuals, the shared factor is worth expansion in the nation. Ohimain (2007) characterises LC as an arrangement of cognisant introduction and activities to fabricate residential limit relevant for administration and item conveyance equivalent inside of that industry and a chance to locally construct a supportable society of administration quality and capacities surpassing clients' desires and practically identical to worldwide norms through key local faculty and administration.

It is noted that Taiwo (2010) consider some vital elements to looking at the idea of LC, for example, 'purposeful introduction', limit building, maintainable ability, item deliverability frameworks, and likeness. The idea of nearby idea is worldwide and not confined to Nigerian, as it has beforehand been attempted in a few other oil-creating nations. Idemudia & Ite (2006) argued LC from a point of 'group substance'; expressing that "Eventually, group substance is about understanding an upper hand for an oil and gas advancement organisation according to both the nearby populace and the nation's gatekeepers of monetary arrangement." He further watched two unmistakable open approaches systems for accomplishing higher local substance targets emerge opposite: the first procedure is the place the state requires oil organisations to give more prominent inclination to those nationals and national suppliers who can contend globally on expense, quality and convenience i.e. what can be termed nearby substance interest.

According to Adeoye (2007) this arrangement is actualised through arranged conditions and assertion between host nations and multinationals confirm by issues, for example, lower pre-capability and delicate examinations criteria and lower taxes on imported hardware and semi-completed materials not accessible in the nation. This model is outlined in the Trinidad and Tobago case, where oil creation administrators might offer inclination to national Subcontractors where such are focused with outside bidders in abilities, accessibility, and value and meet specialised and money related prerequisites. Furthermore, the case in Nigeria where the proposed LC bill requires around ninety-five per cent administrative and supervisory positions, hundred per cent danger protection and lawful administrations are to be taken care of by indigenous experts. The second approach procedure is the place governments propose a "stage change" i.e. slow change of LC limit accomplished by intentionally fabricating the ability of national and nearby aptitudes to get to circumstances, considered as 'local capacity advancement. Frynas

(2010) argued that the last is a possibly more dynamic model that would include impressive endeavours from the oil organisations. For example, giving immediate and delayed help to indigenous firms to enhance their quality and dependability; instalment of premiums or appropriations to defeat a portion of the higher expenses caused in limit advancement. In addition, instalment of extra protection premiums to bolster local suppliers and temporary workers; putting resources into physical base, for example, structures and utilities; and giving money related administrations such investment, credit ensures and fleeting advances to nearby suppliers and contractual workers.

Akinlo (2012) focused on that they should not be so innocent as to expect changes in local content and group venture practices to happen without the privilege devoted impetuses. However, Okpanachi (2011) argued that in spite of the fact that the last model sounds commendable; in any case, it is imperative to consider that multinationals are not philanthropy associations; but rather entirely benefits situated associations, driven by the objective to augment shareholders reserves. Accordingly, the model proposed by - may be hard to apply. Moreover, in this manner set that for a nation like Nigeria, a viable LC strategy should be driven by an ideal equalisation of both impetuses on one hand and strict regulations on the other. Probert (2006) stated that this is because of, in correlation to different nations, Nigeria has low level of nearby substance in the oil business operations. As indicated by the Nigerian National Petroleum Corporation (NNPC), just around fourteen per cent of the sums spent overhauling the business used to be put resources into Nigeria; contrasted with twenty-five per cent in Indonesia, fifty per cent in Norway and seventy per cent in Brazil and Malaysia. Not overlooking that the objective of NNPC was to accomplish forty five per cent before the end of 2007 and seventy per cent by 2010.

2.6. Benefits and Challenges Linked with the Promotion and Growth of SMEs

As it is observed by Balouga (2012) that small and medium scale enterprises are known as essential constituents of state growth in both established and emerging economies, they play a crucial role in Nigeria too which is a developing country. This sub-part of the economy is all inclusive recognised to contribute significantly in upgrading employment creation or era, neediness easing, impartial appropriation of resources, pay redistribution, specialised and technological advancement, entrepreneurial abilities improvement, more uniform modern and economic dispersal, and general change in the expectation for everyday comforts of the masses inside of an economic district. In addition, Latham (2011) stated that they have been touted as key in guaranteeing nourishment security and empowering quick industrialisation and inversion of rustic urban relocation. Despite the fact that SMEs are seen as veritable and reasonable motors of economic improvement, the development and advancement of SMEs in Nigeria have been slow and sometimes even hindered, because of various issues and difficulties going up against this immensely essential sub-division of the economy.

It is noted that some of the issues highlighted by Adewuyi (2011) for the slow development and advancement includes lamentable infrastructural offices; subsidising and financing difficulties; deficient managerial and entrepreneurial abilities; constrained limit for research and improvement and advancements; restricted demand for their items and services; weight of various assessments; and domineering activities of government functionaries and specialists. Others incorporate troubles connected with conforming to administrative necessities in the particular territories of operations of the SMEs; issues of undercapitalisation and trouble with access to bank credits; bureaucratic bottlenecks; debasement and absence of straightforwardness emerging from government regulation and controllers. It also includes the government's absence

of interest or centre in tending to the particular factors in charge of the horrifying performance of the sub-division (Ayoola & Salawu, 2012).

Akinlo (2012) has given an account of the projection that as a centre point for oil and gas industry, Nigeria was relied upon to produce an expected two-hundred billion dollars in the following couple of years and make more than three-hundred thousand new occupations in the segment because of the NOGIC Act. He further reported that before the Act, Nigeria was purchasing as opposed to offering oil gear, which cost the nation an expected \$375 billion and lost openings for work of around two million. As indicated by the Nigerian Content Development and Management Board (NCDMB), more than ninety-five percent of the industry budgets were spent abroad in the course of the most recent thirty years. The trust has been communicated that in the years prior to 2020, government would have possessed the capacity to turn around the circumstance to one in which more than sixty-five percent of industry budget would be spent locally.

2.7. Classification of Small and Medium Enterprises

An enterprise is a project, an endeavour, an organisation, a firm, or a person that is occupied with one form of economic action or the other, with the point of creating a few goods or services available to be purchased to others. The meaning of the size of the enterprise and their order into miniaturised scale, small, or medium has been largely based on criteria, for example, volume of sales turnover, number of labourers in employment, or estimation of assets and investments. Kragha & Osahon (2003) stated that the meaning of small and medium scale enterprises shifts as per setting, creator, and nation. Characterisation in USA, Britain, and Canada is characterised as far as yearly turnover and the quantity of paid representatives while in Japan; it is conceptualised

as kind of industry, paid up capital and number of workers. It gives the idea that the variety of meanings of SMEs may not be detached with the way that they are considerably heterogeneous.

Then again, they have frequently been grouped or characterised regarding quantitative and/or qualitative variables or attributes. The quantitative indicators incorporate the quantity of representatives, sales, and capital utilised, while illustrations of the qualitative indicators are lawful status, proprietorship structure, variable force, and innovation. Terje, et al (2012) stated that the lawful status, or the possession structure, a SME may be constituted operationally as a sole proprietorship, a partnership, or a private or public liability organisation or even a co-operative. In admiration of the sort of exercises occupied with, SMEs may be constituted to give services (like instructive and health services), while others may be occupied with manufacturing or preparing. It is essential to note however that most working meanings of SMEs have been based on quantitative contemplations, for example, the quantity of representatives or yearly sales turnover. In Nigeria, there have been diverse meanings of SMEs by distinctive foundations.

These establishments incorporate the Central Bank of Nigeria (CBN), the Small and Medium Industries Equity Investment Scheme (SMIEIS), the Nigerian Institute for Social and Economic Research (NISER), Federal Ministry of Industry (FMOI), the National Association for Small and Medium Enterprises (NASME), and the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN). For example, a SME has been characterised by CBN as an outfit with an aggregate limit expense (barring area) of between N2 million and N5 million. Whereas SMIEIS perceives a SME as any industry with a greatest resource base of N200 million, barring land and working capital, and with the quantity of staff utilised by the enterprises at the very least ten and not more than three hundred (Adewuyi, 2011).

According to Ariweriokuma (2008) the poor performance of SMEs in Nigeria in respect to their partners somewhere else by uncovering that albeit around ninety-six per cent of Nigerian organisations are SMEs. This is contrasted with fifty-three per cent in US and sixty-five per cent in Europe, they contribute roughly one per cent of GDP contrasted with forty per cent in Asian nations and fifty per cent in both US and Europe. Fundamentally, every economy should have the capacity to characterise the smaller scale, small, and medium-sized enterprises as far as qualities or parameters that are prone to improve the development and advancement of the sub-area overall. Essentially, the administrative environment must be, for example, would supplement the development and advancement arrangement of the segment. Government's different approaches and rules that have formed the controlling environment under which SMEs in Nigeria operate would now be quickly analysed.

2.8. Regulatory Environment for SMEs

The administrative environment constitutes an imperative component required to guarantee the development and improvement of a practical and energetic SME sub-part of the economy. It has been placed that the operating environment like government arrangements, impacts of globalisation, exercises of financial establishments, local government strategies, and SMEs state of mind to work and their natural attributes are factors in charge of the difficulties that SMEs face in their operations. According to Ayoola & Salawu (2012) regulation is a vital part of contemporary business life as it shields the organisations, the representatives, and the overall population from unjustifiable dangers generally as it shields the earth from contamination. In addition, Regulation is the medium through which government focuses on her policy points and goals. The administrative environment incorporates all the stipulated conditions, standards and regulations, and additionally the administration approaches and rules that direct the setting up of

SMEs and that influences their method of operations. In this setting accordingly, the administrative environment incorporates the lawful system, financing regulations, tax organisation, and additionally proprietorship and management structure among others.

SMEDAN was built up in early twenty first century to advance the improvement of the smaller scale, small and medium scale enterprises part of the Nigerian economy through assistance of access to all resources required for their improvement. The need emerged from acknowledgment that destitution is a social discomfort that debilitates worldwide prosperity as a rule and national economic development and improvement specifically. Kebede, et al (2010) stated that created MSME segment has ended up being one of the veritable channels to battle destitution. The general result of government's endeavours at characterising a successful operating environment for SMEs shows that these arrangements and regulations do not appear to have accomplished the wanted results. This is obvious from the perception that Nigerian SMEs dissimilar to their partners in many different parts of the world are yet to impel the economy as required. The financial and economic environment has all the earmarks of being entirely critical to the reasonability and maintainability of SMEs, since significant difficulties that effect on the performance of the sub-division get from this environment. It was in the offer to take care of the financing issues going up against small and medium scale business people that the Small and Medium Industries Equity Investment Scheme (SMIEIS) was set (Atsegbua, 2012).

2.9. Factors that Favours the Viability of Regulatory Environment for SMEs

It is observed that the administrative environment constitutes an imperative segment required to guarantee the development and improvement of a suitable and dynamic SME sub-division of the economy. Etim & E.O (2010) postulated that the working environment like government arrangements, impacts of globalisation, activities of financial institution, local government

strategies, and SMEs state of mind to work and their natural qualities are components in charge of the difficulties that SMEs face in their operations. Furthermore, the regulation is a vital part of contemporary business life as it protects the organisations, the workers, and the overall population from unjustifiable threats pretty much as it protects the environment from pollution. Moreover, regulation is the mode through which government focuses on their policy goals and targets. De Vita & Lagoke (2015) argued that the regulatory environment incorporates all the stipulated conditions, principles and regulations, and in addition the administration approaches and rules that direct the setting up of SMEs, and that impact their way of operations. In this manner, the administrative environment incorporates the legitimate system, financing regulations, tariff administration, and administration structure among others. For that reason, SMEDAN was built up in 2003 to advance the improvement of the small and medium scale undertakings that are the vital part of the Nigerian economy

It is found that the requirement emerged from acknowledgment that poverty is a social malaise that undermines worldwide prosperity in common and overall economic growth in particular. Leo (2013) acknowledged that a very much created MSME division has turned out to be a standout amongst the veritable channels to tackle the problem of poverty to some extent. In addition, the general consequence of government's endeavours at characterising a viable working environment for SMEs shows that these strategies and regulations do not appear to have accomplished the craved results. This is obvious from the perception that Nigerian SMEs not at all like their counterparts in numerous different parts of the world are yet to drive the economy as required. However, the budgetary and financial environment seems to be very significant to the sustainability and viability of SMEs, since real difficulties that effect on the execution of the sub-segment get from this environment. It was in the offer to take care of the financing issues

going up against little and medium scale business visionaries that the SMIES was established to assist the local firms viably (Kragha & Osahon, 2003).

According to Egbon, et al (2015) the SMIEIS is about the most recent of the plans intended to handle the issue of financing SMEs in Nigeria, requiring that all banks hold 10 for each penny of their pre-charge benefit for value interest in the business. On the other hand, Odularu (2008) found that the utilisation rate of the accumulated fund was just 3 for each penny, while the level of attention to the plan was just 39 for each penny, with a high administrative limit in the organisations however feeble ability to use the asset. Furthermore, all the enormous consideration and support given to SMEs identify with the broadly acclaimed actuality that SMEs are employment and wealth creators. At the point when the SMIEIS was built up in 2003, it was relied upon to redo the SMEs as key element of development in the economy and veritable apparatuses for the advancement of indigenous innovation, quick industrialisation, business era for their coming generation, and as the turn for feasible financial improvement in Nigeria.

Nwachukwu (2012) stated that in 2012, the Federal Government endorsed the entirety of N200 billion for operation of the *Small and Medium Enterprises Credit Guarantee Scheme* fund. Moreover, to be operational, the qualification conditions for applying organisations were to be defined by the Central Bank of Nigeria (CBN) together with applicable offices of government. While the SMECGS and the *Microfinance Development Fund*, which is required to bolster smaller scale, little and medium ventures were built up simultaneously, intrigued SMEs might just profit by these assets on the off chance that they are suitable and fulfil the normal qualification conditions. Furthermore, the numerous SMEs in Nigeria may not know about the presence of SMEDAN, the different wellsprings of assets for SME advancement, the motivators

accessible for them, the lawful and administrative prerequisites to source funds from banks or even the fundamental strategy for advancing an endeavour.

It is found that most of the SME promoters are disinclined to going into partnership plans furthermore to value support by banks under the SMIEIS program. However, this may be clarifies a portion of the attitudinal difficulties that they have to deliver keeping in mind the end goal to over some of their issues. Moreover, the regularly, smaller endeavours face higher exchanges costs than bigger ventures in acquiring credit. In addition, the poor administration and bookkeeping practices have hampered the capacity of smaller undertakings to raise money. Data asymmetries connected with loaning to little scale borrowers have confined the stream of money to smaller enterprises (Atsegbua, 2012).

2.10. Requirements for Entry into the Market

Each trying SME businessperson in the oil and gas industry ought to be familiar with the competency necessities that would empower entry into the market. The following are essential least prerequisites:

- Corporate Affairs Commission enlistment as a corporate element
 - Department of Petroleum Resources enlistment to get permit to go into contracts in the oil and gas industry
 - Nigerian Petroleum Exchange (NIPEX) enlistment for access to take part in tendering exercises on the e-Marketplace facilitated by the NNPC
 - Value Added Tax enlistment to get a number and endorsement
 - Established physical vicinity (office, staff, offices, and others)
-

Qualified SMEs must demonstrate that their organisations are supportable elements and exhibit that they have the capacity to take care of business to expert standards, ideally with confirmation demonstrating a reputation of conveying results on calendar and at concurred cost. There are specialised prerequisites in a portion of the classes that must be met, and SMEs must show that they find themselves able to meet these specialised determinations by guaranteeing they have the right affirmations, personnel, and hardware. Most opportunities in the industry are promoted in the Nigerian Petroleum Exchange (NipeX) website, and planned bidders should frequently check this entrance keeping in mind the end goal to have more opportunity to react to calls for offers and get ready satisfactorily consistent Tenders (Adeoye, 2007). Moreover, the industry has positioned itself to exploit the Nigerian Content Act by setting up affiliations, for example, the Petroleum Technology Association of Nigeria (PETAN), a body made up of just Nigerian organisations prospecting in the oil and gas industry. The affiliation is spoken to in the Council of Nigerian Content Development and Monitoring Board (NCDMB), where they go about as weight gathering and have the advantage of guaranteeing that Nigerian content standards are followed by operators (Ariweriokuma, 2008).

2.11. Opportunities for the Promotion of SMEs in Oil and gas Sector

Aigboduwa & Oisamoje (2013) stated that there is no doubt in the fact that oil and gas sector in Nigeria possess many opportunities for different companies in the country in regards of growth and development. Although, it is observed that oil and gas incorporates different sectors that includes engineering designs, production, raw material, supplies, and others. Moreover, it further involves information and technology, transportation, research, finance, health and safety, installation of equipment, project management, maintenances, shipping, and others. The NOGIC act of 2010 involve all these sectors with the oil and gas sector in Nigeria in order to explore the

opportunities especially for the development and promotion of SMEs in oil and gas sector Nigeria. Okafor & Aniche (2014) argued that the NOGICD Act 2010 has given the legitimate structure to empowering interest in the Nigerian oil industry, it endeavours to fabricate nearby limit by characterising least Nigerian Content value for specific products and management, and presents different open doors inside of the Schedule to the Act for SMEs investment in both specialised and non-specialised levels.

It is found that most of organisations are challenged with the difficulties of getting to circumstances inside of the business because of absence of good knowledge and knowhow in respect of the available assets in the working sector. It is stated in the Schedule in the Act 287 that exercises and administrations appropriate in the business are recorded under 17 areas, and the base level of Nigerian substance required for every movement and administration is specified. Kragha & Osahon (2003) stated that oil and gas sector incorporates different sectors that require a huge amount of investment in regards of financial and human assets that is usually out of the research of many SMEs. Therefore, it is important for the government authorities to initiate different steps like NOGIC act 2010 to involve SMEs with oil and gas industry by means of different techniques to help them grasp their opportunities and play their role in the development of Nigerian economy.

2.11.1 Nigerian Oil and Gas Content Development 2010

Oyedepo (2012) stated that despite the fact that the major production of oil and gas depends on the rural areas of the country, the people living there are moving towards the cities to enjoy the facilities and resources that usually lack in rural area. Whereas, the multinational corporations that are engaged with Nigeria oil and gas industry engage foreign people to the site for work. In other words, the lack of interest by local people

provides employment opportunities to the people from other country. It is important for the people living in Nigeria especially the rural people and local SMEs that live or operate near the site to grasp the employment and venture opportunities with multinational corporation in order to increase the growth opportunities for local SMEs in the country.

According to Tuodolo (2009) it is the fault of the local people who leaves their native places and move to other place while leaving the employment opportunities that these multinational groups provide to local people and SMEs. It is observed that multinational groups that operation in Nigerian oil and gas sector requires a lot of man force to conduct their work. It is observed that due to the lack of interest among local people for staying at their native place, these job and business opportunities directly move towards foreigners. The NOGIC Act 2010 has now given the legitimate system to fortifying interest in the Nigerian oil industry. It endeavours to assemble nearby limit by characterising least Nigerian Content value for specific merchandise and administrations, and presents different open doors inside of the Schedule to the Act for SMEs cooperation in both specialised and non-specialised classes. Most business people are confronted with the difficulties of getting to circumstances inside of the business because of absence of good learning of accessible assets in the segment.

In accordance with the schedule in regards of Act 287, the activities and services under oil and gas sector Nigeria can be divided into 17 different working sector that altogether formulate basic settings for the working settings. In addition, it is important for the Nigerian content to involve in all of these working activities and services to execute their work. These working sectors can be classified as the engineering design of the project,

the fabrication, and construction of the project, materials, and their supplies from potential suppliers on time, and well drilling to produce oil.

Moreover, it can be said by studying the report of Oguine (2011) that the sector further involves research and exploration, transport, communication, finance, insurance, surveys, inspection and testing, project management, modification, maintenance, shipping and others. It can be said that incorporating a number of different sectors in regards of maintain oil and gas industry requires a huge amount of investment or capital and equipment to start and run the project that is a difficult thing for most of SMEs. Thus, despite of starting or investing in oil and gas industry Nigeria, SMEs should joint venture in regards of these different sectors with multinational oil and gas corporations as a strategy to grow and develop in the related sector.

In addition, the NOGIC act 2010 further divides the Nigerian oil and gas companies into three different categories that can be explained as:

2.11.1.1 Nigerian Independent Operator

According to Adewuyi (2011) it is one of the Nigerian oil organisation that have more than fifty per cent of the total Nigerian value cooperation, and the ability to oversee oil squares, oil field licenses, oil lifting licenses, and such other oil and gas prospecting, investigation, and generation operations. It is one of the company that help different SMEs across Nigeria to help them grow and develop along with them in their respective sectors. The company provides a number of opportunities to SMEs that further help them to promote their products and services in the local and international market.

2.11.1.2 Nigerian Company

The organisation is among the Nigerian oil and gas sector that framed and enrolled in Nigeria as per the procurements of Companies and Allied Matters Act, with at the very least fifty-one per cent value offers by Nigerians, equipped for executing development and strengthen contracts for Operators. Kazzazi & Nouri (2012) argued that the company aims to operate in their native country in order to contribute their work share for the country. It is another strong opportunity that SMEs should acclaim in order to make their way towards the international oil and gas market.

2.11.1.3 Nigerian Indigenous Service Company

The organisation is enlisted under the laws of Nigeria and is completely claimed or has no less than 51% of its value and possession structure held by Nigerians. The company help the SMEs across Nigeria and engage them with the company in regards of using their services to conduct their work. These many Indigenous companies working in Nigeria help small SMEs. A portion of the vast Nigerian organisations that have possessed the capacity to exploit the Nigerian Content impetuses incorporate Lone star (boring), SCC Mill (assembling of line channels), *Niger dock* (development of SBM Calm Buoys), *Starzs* (building of seaward vessels), *Nest oil*, *Bay wood*, and *Oil serve* (pipeline development), and others (Oguine, 2011).

Leo (2013) stated that a few working sectors and activities are indicated for necessity of abnormal state of Nigerian Content (NC) while including minimal capital cost. The most alluring segments for SMEs incorporate Materials and Procurement where supply of steel plates, level sheets, steel segments, and steel funnels have NC prerequisite; Transportation sector with NC necessity for transfer, appropriation and waste transport administrations, and truck bundle and item transportation administrations.

Correspondingly, under the Health, Safety, and Environment sector, reasonable administrations only saved for Nigerian organisations incorporate site tidy up, modern cleaning, cooking, and clothing, while security administrations, contamination control, and supply of wellbeing materials have high NC necessity of no less than 90% as it is comprehended by (Aigboduwa & Oisamoje, 2013).

Public Address framework administrations pulls in NC under the Information and Communication segment, while Auditing administrations, Life Insurance administrations, Insurance Broking administrations, Security Broking administrations, and Fund Management administrations are only held with NC under the Finance and Insurance segment. The Schedule to the Act further stipulates that in the Installation and Commissioning sector, Pipe Cutting and Bending administrations, Trenching and Excavation administrations, and rental of Cranes and Crane freight boats are under elite store.

According to Adeoye (2007), Nigerian Content Development & Monitoring Board has now made it required that any supply or equipment that will be supplied for use in Nigerian oil and gas industry must have certain segments fabricated locally. This is focused at expanding cooperation of SMEs as the Original Equipment Manufacturers (OEMs) would look to get local delegates to accomplice in setting up and domiciling such hardware segment fabricating in Nigeria. In other words, Nigerian Authorities are trying to incorporate small SMEs with these multinational oil and gas corporations so that these companies could explore and grasp the benefits and opportunities of Oil and gas industry and promote their company for their products and services in the working sector.

2.12. Ways in which Local Content Promote SMEs in Oil and Gas Sector

Idemudia & Ite (2006) stated that it is important for government and authorities to encourage these small and medium enterprises so is to involve them with multinational corporation oil and gas companies so is to help them promote their business in the market place. Ariweriokuma (2008) argued that in Nigeria, it is important for the government to take some serious action and evaluate their policies by analysing the work efficiency of local people so that they can adopt them in their business working pattern and grasp the opportunities that the oil and gas sector of Nigeria offers.

2.12.1 Peace and Sustainability

It is important for Nigerian government and authorities to take measures to reduce the crime rate of the country that is increasing day by day. It is observed that by providing employment opportunities among the local and especially rural people might help the government to reduce the increasing crime rate in the country. The strategy will help the government to attract foreign and private investors towards the country that will further help the SMEs to develop in the marketplace. It can be said that by helping the local small organisations, the country will be able to sustain their economy and balance their economic and financial assets (Atsegbua, 2012; Ackah-Baidoo, 2012).

2.12.2 Crosscutting Strategy

It is analysed from the research study of Latham (2011) that the development of SME depends upon the policy making of the government and its implementation. It can be said that the success of small and medium enterprises relies on the implementation of macroeconomic policies by the government and the skills of the stakeholders that further engage these small and medium enterprises towards the microeconomic business-

working pattern. Moreover, it also depends on the competency and working level of the SMEs in evaluating and implementing their strategies in their business practices. Therefore, it can be said that the development and promotion of SMEs depends on the governmental policies, stakeholders and the working patterns of the SMEs respectively. Consequently, SMEs development strategies should be involved with the national development strategies in order to reduce poverty and maintain a sustainable economy for Nigeria.

2.12.3 Communication Links with Stakeholders

Kragha & Osahon (2003) highlighted that communication with government, stakeholders, and civil society is the key to the development of SMEs in Nigerian market. It is important for SMEs to maintain clear communication relationships with governmental authorities, stakeholders, multinational companies and other business participants in order to analyse their strength and weaknesses so is to plan and implement their strategies accordingly. The strategy will help the SMEs to give tough competition to other companies in the market. Moreover, it will also help the SME to promote and increase their business area in the marketplace.

2.12.4 Investments in Physical Infrastructure

It is observed that investment in physical infrastructure; business services, local level management, and supporting structure help SMEs to determine growth and success. It is important for the SMEs to evaluate the national and international market in regards to learn the area for rich investments so is to earn profit from them. These investments help the organisations to maintain their working standards in the market place along with their success and growth.

2.12.5 Gender Equality

It is found that women empowerment for the development of SME is one of the major steps that Nigerian authorities and SMEs should take. It is observed that women play an important role in the reduction of poverty private sector business activities. Therefore, women empowerment and gender equality at workplace might help Nigerian SMEs to develop in the national and international market place and to achieve determined targeted initiatives (Ackah-Baidoo, 2012).

2.12.6 Educate Local people

Sonibare (2015)highlighted that last of all, it is important for SMEs, governmental authorities to organise different workshops and training sessions to help the local people learn on the management and working of SMEs in the national and international market especially in oil and gas sector. It is important for them to learn the working of latest equipment so is to take the opportunities that oil and gas companies provide in the marketplace.

2.13. Case Study

Allied Energy Plc is the Nigerian company that operates in the oil and gas sector. It is focused on upstream oil and gas business in the Nigeria. It is noticed that the Allied Energy Plc started as the small and medium scale enterprise in the Niger in the field of oil and gas extraction and production. However, with the passage of time, their business started to expand due to increasing demand of oil and gas all over the world. Although, Nigeria is counted among the poor countries but the oil and gas sector of the country is among the ranked countries. This increase in the demand and export of oil from the county has assisted the SMEs a lot in expansion. Allied Energy Plc was able to improve and enhance their operations due to increasing demand in this

sector. It is noticed that Allied Energy Plc was the first company that created joint venture partnerships with multinational energy giants, which is the major reason behind its promotion and growth. Creating joint venture opened opportunities for the company due to which its financial concerns very also addressed. This means that small and medium scale enterprises in the oil and gas sector of the Nigeria were promoting and growing. Local content is another major reason behind this growth and promotion of SMEs because it promotes their increased participation towards different opportunities that contributes in value addition to the nation.

Chapter 3: Research Methodology

3.1 Introduction

The chapter aims to present a research framework with a detailed idea about the research and the way it is conducted. Moreover, the main purpose of the chapter is to assess research approach, research design, research strategy, sampling strategy, data collection methods, and data analysis methods. However, the last part of the research methodology is based on ethical consideration and research limitation that follows a standard quality for the complete research process. The data required in the dissertation has come from the preceding studies, case study, and survey regarding the promotion and growth of small and medium scale enterprises on the oil and gas sector in the Niger delta, Nigeria through local content. As far as the data collection methods are concerned, the data has been collected through both primary and secondary data collection methods. The primary data is collected from the employees of Allied Energy PLC.

3.2 Research Methods

Two research methods are there that is qualitative and quantitative that are used for evaluating the aim and context of the study. In the qualitative research method, exploratory research is considered for understanding the reasons, perspective, and motivations related to the study. It also involves creation of the perception, which is used further for quantitative research. Qualitative research method is dependent on previous studies and events for which content analysis is adopted as the appropriate method to make sure that effective conclusion is achieved. While on the other hand, another research method that is quantitative makes use of statistical approach for analysing the aim and objectives of the study. Under this method, the understanding and perspective of the individuals related to the research topic is linked with the information collected from previous studies. In this method, different techniques, which include interviews,

surveys and others, are used for collecting specific information. This research study is quantitative in nature because it involves use of numerical data and statistical approach for analysing the aim and achieving effective conclusions.

3.3 Research Approaches

Two different research approaches are there that is inductive and deductive, the selection of which is dependent on the type and nature of the study.

3.3.1 Inductive Approach

Inductive approach is also known as bottom up approach in which research questions are used for narrowing down the scope of the study. Under this approach, the focus moves from the specific viewpoint to the general viewpoint in order to explain and illustrate the aim of the study in the precise manner. The research methods that are used in this approach include observations, experiments, and others. It does not involve use of statistical approach or numerical data as it only consider secondary data for conducting research. This approach is not used in this considered study because it makes use of numerical data for which evaluating the research context. Moreover, the research is not only dependent on previous studies but it also involves use of primary data (Walt & Rensburg, 2005).

3.3.2 Deductive Approach

Another research approach is deductive which is also known as top down approach. It considers studies and researches that move from general perspective to the specific perspective due to which analysis of particular topic becomes convenient. It involves use of numerical data and statistical approach for analysing the collected information.

Deductive approach is considered as effective in terms of linking theory with the numerical data that is analysed under statistical test. This approach is used in studies that are quantitative in nature because it focuses on the shift from general to specific perspective due to which studies are conducted effectively. In this considered study, deductive approach is used because it involves analysis of a particular perspective due to which general context from the studies are used and shifted to the specific viewpoint through use of numerical data. Moreover, this study is quantitative in nature due to which this approach is considered as appropriate to be used (Silverman, 2010).

3.4 Research Design

Different researches designs are there that help the researcher in conducting study effectively. Some of them are as provided below from which appropriate is selected.

3.4.1 Historical

This is the research design in which previous studies and events are used for analysing the aim of the study. It does not make use of primary data but is dependent on the secondary data that is obtained from previous studies. In this method, the trends, causes, and effects are focused so that future and current events are evaluated in relation to the context of the study. Moreover, in historical research design only those points are emphasised that are provided and discussed in previous studies and it does not introduce any new perspective related to the topic. For the considered study, this research design is not considered as appropriate because it only makes use of previous data and events.

3.4.2 Experiment

This is the research design in which process, treatment and programs for analysing the results are considered. Hypotheses are used in this design along with the emphasis on the experiments so that relevant information or data related to the study is obtained. Moreover, in this research design, experiments linked to the topic are performed so that numerical data is gathered. For this study, experiment is not considered as the appropriate research design because it does not involve hypothesis testing and does not conduct experiment for gathering primary data.

3.4.3 Descriptive

This is among the common research designs, which focuses on elaborating the existence of the study. Descriptive research design makes use of both primary and secondary data for collecting reliable information and reaching on effective conclusions. It uses and summarises raw data in effective manner. Under this method, particular sample size is used for gathering and analysing the data linked to the topic. This design is considered as helpful for researchers because it assist in reaching on reliable conclusions by making use of both previous and numerical data. For this considered study, descriptive research design is appropriate because both primary and secondary data is used. Moreover, it also involves use of statistical approach, which is the main requirement of the study so that numerical data is collected. Based on this, it is evaluated that this research design is effective for this study.

3.5 Research Strategies

There are six most common qualitative research strategies that are demonstrated in this part of the study which are as follows:

3.5.1 Grounded Theory

Grounded theory is the research strategy in which information is gathered and evaluated for developing the theory linked to the research topic. This provides basis of understanding the methods with the help of which issues can be avoided. This research strategy is not considered appropriate for the study under consideration because it is not connected with the regiment and does not involve creation of theory.

3.5.2 Case Study

This is one of the important research strategies that are used by researchers for collecting specific information. Case study is considered as effective in the studies that involve use of information related to the topic from perspective of a particular location or organisation. With the help of this method, the researcher gathers specific information linked to the research topic from the perspective of particular individuals that belong to a certain environment. In this considered study, case study is used for collecting specific and appropriate information linked to the promotion and growth of SMEs in the oil and gas sector of Niger Delta. The case study of Allied Energy PLC related to the research topic is provided in the study.

3.5.3 Interview

Interview is the research strategy that is used by the researcher for collecting wide range of information linked to the study. This method is used for the study that requires extensive information or data in order to reach on conclusion. Interview is not considered as effective method because it collects much of irrelevant information that is not needed by the researcher for the study. This is because open-ended questions are used for obtaining information from the particular or selected participants. In this study, interview

is not used as the research strategy because it involves use of specific and relevant information in order to evaluate the research topic. Moreover, it considers asking open-ended questions from the participants for which face-to-face interaction is required which is utilised in the considered study.

3.5.4 Survey

Survey is one of the significant research strategy in questions related to the research topic are asked from the participants in order to collect primary data. The purpose of this strategy is to analyse the perspectives of the employees or people that are connected with the context of the study either directly or indirectly. It involves use of questionnaire in which closes ended questions are sent to the participants to obtain their views and opinions. This research strategy is used in the study under consideration because it involves collection of information from particular participants. With the help of this strategy, relevant information is extracted and gathered which help the researcher in discussing aim and objectives. In this study, the survey is conducted from the employees of Allied Energy PLC by sending a questionnaire of 10 close-ended questions through online platform that is social media network or email.

3.6 Sampling Strategy

There are different sampling strategies that are used by the researcher for collecting primary data from the selected participants. These include random sampling, stratified sampling, non-random sampling, systematic sampling, and others. Sampling strategy is important because it helps in selecting appropriate sample from the large population. For this considered study, random sampling is considered as appropriate because it provides equal opportunities of selection to all

the participants. The sample size of the study is 50 employees of Allied Gas LTD, which are selected randomly for answering the questionnaire of the survey.

3.7 Data Collection Methods

It is noticed that the information collection method is a standout amongst the most imperative part of research study as it help with gathering data to create results close by with the conclusions for the research. There are two centre methodologies for gathering important data that is primary and secondary.

3.7.1 Primary Data Collection

The information gathered for the definite purpose of the study in the inventive structure is known as the primary information. In addition, this sort of information is collected for the initial time while being not issued in preceding studies. There are various approaches to gather essential data contains interviews, assessments, interpretations, contextual investigation and so on. The nature and aim of the study offers that the primary information is gathered by utilising the online survey for which poll of around 10 inquiries are sent to the employees of Allied Energy Plc through the social media or emails (Khan, 2011).

3.7.2 Secondary Data Collection

It is noted that the information available on media, for example, internet or guidebook is collected by some individual however not from others is known as secondary information. In addition, this type of information is accumulated from the sources to be issued and the sources that are utilised to collect secondary information is to examine the consequences of the investigators available for overpowering the restrictions being

emphasised inside the selected researches. In this study, distinctive articles are chosen for gathering data to provide literature alongside with the investigation (Rensburg, 2006).

Moreover based on the nature of this study, it is found that the primary information will be gathered with the assistance of using online survey. For gathering essential information, 50 employees of Allied Energy Plc will be met by sending them questionnaire of 10 close-ended inquiries. This survey is directed by making utilisation of emails and social media. However, keeping in mind the end goal to gather secondary information, precedent studies are utilised to increase understanding about the topic. This helps the investigator in accomplishing the stated goal for the study. Hence, to collect secondary information diverse searches engines and databases, for example, Ebscohost, Google Scholar, and Emerald Insights (Khan, 2011).

3.8 Data Analysis

The technique of information analysis contains gathering of data completely through the assessment of primary information. The two most common sorts of analysis that often utilised by researcher of the study and they are elaborated as follows:

3.8.1 Qualitative

The qualitative analysis provides a complete and thorough demonstration of assembled data. Additionally, the analysis is not a statistical system being coordinated by the existing material at hand. Furthermore, the qualitative study is dependent on the collection of individual perspectives of people, for example, comprehending, and illustration. This analysis may utilise content with the end goal of evaluation of findings of precedent studies in literature review of the study under consideration (Kothari, 2011)

3.8.2 Quantitative

It is noted that the quantitative analysis, the features are sorted to permit researcher in expansion of multifaceted statistical ways to deal with the observed components of the study. Moreover, the purpose behind the quantitative analysis is to identify the accumulated data completely through the collection of primary data. In the investigation of this study, the verdicts are far reaching for a greater populace with the appraisal between associations or groups. In addition, the quantitative analysis allows the researcher to understand the truth about the technique of helping with replication of behaviour of individuals (Sreedharan, 2007). This method is used in the study because it involves use of statistical approach for achieving effective results.

3.9 Ethical Considerations

There are certain ethical considerations that must be consider by the researcher at the time of conducting research for the reason that it would help them to enhance the credibility and reliability of the research to the utmost level. Moreover, some of the key ethical considerations are as follows: (Krishnaswamy, et al., 2009).

3.9.1 Informed Consent

There is a necessity of informed consent from the respondents before their participation, which suggests that they ought to consider the required code of activity alongside the type of threats connected with the study. For that reason, the participants agree to take part in the survey and interview sessions for the research. In addition, it is proposed an information sheet for the members with complete data about study (Cooper, 2003).

3.9.2 No Pressure on Participants

The researcher of the study is not required to rely on the consent from the employees or participants of the organisation selected. The reason for this clause is the consent for approaching participants. The participants are required to be informed about the study having the option to take appropriate decisions for their participation. The specialist of the study is not required to depend on the assent from the representatives or members of the association chose. The explanation behind this statement is the assent for drawing closer members. The members are required to be educated about the study having the choice to take proper choices for their investment (Flick, 2011).

3.9.3 Respect for Individual Autonomy

The autonomy suggests the opportunity to take choices for activities in the context of research study. Moreover, the participant is required to have a possibility for withdrawing from study in the case of consent. The participants can ask for the expulsion of information from study. The researcher of the study ought to set himself up or herself for such sort of solicitations from participants (Khan, 2011).

3.9.4 Maintaining Anonymity and Confidentiality

It is a core duty of the researcher to maintain the secrecy for information in order to ensure participants that their given information is safe and secure. Moreover, other data can empower the investigator to distinguish individuals with deference of their age, gender, employment, experience, and association. It can be said that the associations or groups are required to ensure anonymity for which researcher is required to act appropriately as precautions. In addition, the privacy of information is identified with the confidentiality of information being gathered. The investigator of the study under

consideration ought to have a thought regarding offering admiration to the confidentiality and anonymity of respondents and gathered information (Meeker, 2014).

3.9.5 Plagiarism

It is realised that investigator of the research ought to consider the issues of plagiarism of past studies for the reason that it would affect the credibility of the research in a negative manner. Moreover, the investigator is required to reflect such kind of data about study in his or her words while reflecting their own viewpoints about the study under consideration. It is so in light of the fact that plagiarism is scholarly misconduct with measures taken by educational institution (Krishnaswamy, et al., 2009).

3.10 Research Limitations

The major limitation to this research study is the time limit provided. This is an extensive study which requires deep research and analysis for the purpose of evaluating the data gathered either from primary sources or secondary sources. Due to limited time, some of the aspects were ignored and the results are generated on specific concerns. Moreover, another limitation to this research study is the number of journal articles selected which is few in relation to the extent and scope of the research study (Kuada, 2012; Scruggs & Mastropieri, 2006).

3.11 Justification of Survey from Questionnaire

3.11.1 Questionnaire Design and Distribution

The questionnaire that is used for conducting survey from the employees of Allied Energy Plc for evaluating their perspective regarding growth and promotion of SMEs in the oil and gas sector of Nigeria contains closes ended questions. 10 closes ended questions are provided in the survey questionnaire to the employees of Allied Energy Plc

and their responses are measured by using five point Likert Scale. Moreover, the questionnaire is distributed to them by making use of social media websites and email (Khan, 2011).

3.11.2 Response Rate

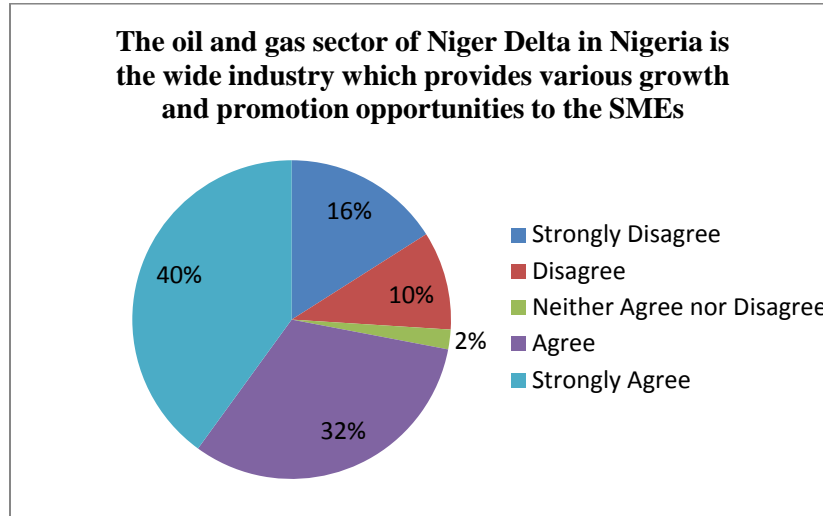
In order to illustrate the content of promotion and growth of SMEs in the oil and gas sector of Niger Delta, the questionnaire for the survey was sent to 70 employees of the selected organisation. However, only 50 employees from the selected population answered the questionnaire. This means that for evaluating the growth and promotion of SMEs, the perspective and opinion of 50 employees is obtained (Cooper, 2003).

3.11.3 Justification of Data Analysis Technique

For this considered research, quantitative technique is used for the reason that primary data has been collected from the employees of Allied Energy PLC, which is analysed by making use of statistical approach that is descriptive statistics. Moreover, this analysis is conducted on the statistical software SPSS so that appropriate results are acquired alongside charts. Furthermore, this technique is utilised for comprehending and analysing the relationship between theoretical and practical implications. However, it may help the investigator in analysing the points of view and conclusions of suppositions in light of some specific variables with respect to employee motivation. The outcomes may be given as tables and diagrams with the goal that understandings can be given effectively. Moreover, a number of studies were considered in order to attain the set goals and objectives of this research (Flick, 2011).

Chapter 4: Findings

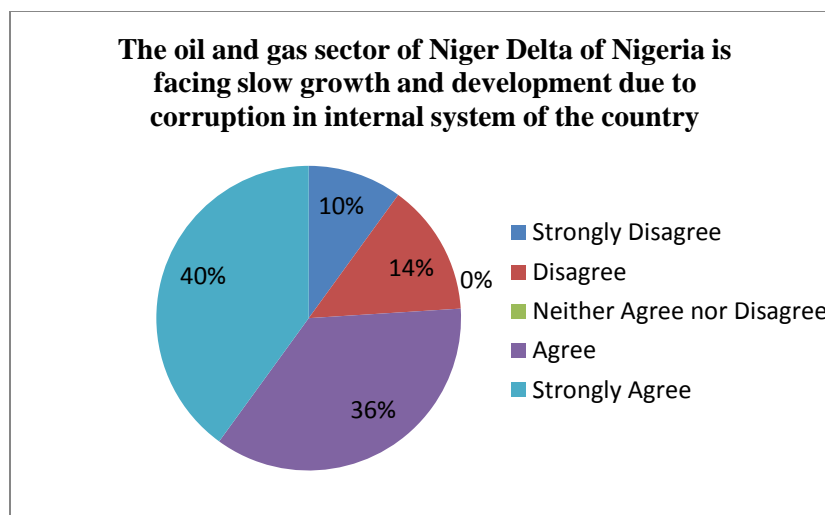
4.1 Interpretation of Results



Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
The oil and gas sector of Niger Delta in Nigeria is the wide industry which provides various growth and promotion opportunities to the SMEs	50	1.00	5.00	3.7000	1.48805	-.890	.337	-.726	.662
Valid N (listwise)	50								

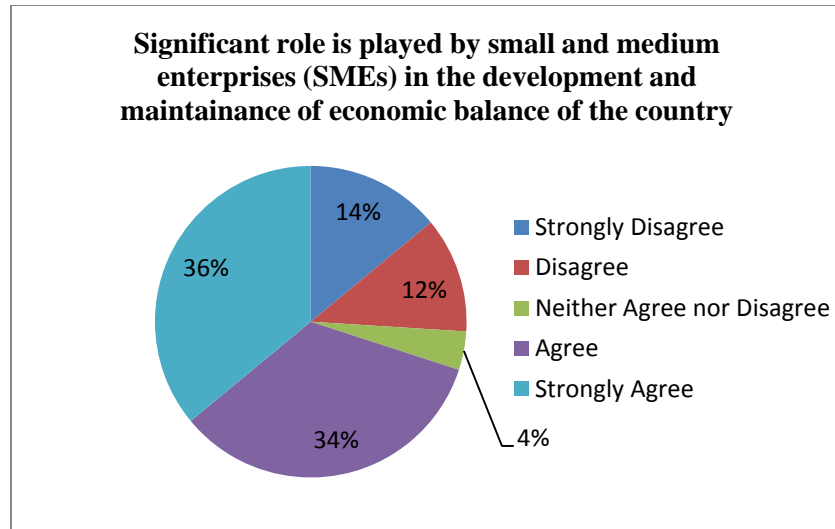
From the above table it is noted that the oil and gas sector of Niger Delta in Nigeria is the wide industry, which provides various growth and promotion opportunities to the SMEs, and most of the respondents strongly agree with this. Moreover, the skewness value shows that data is negatively skewed.



Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
The oil and gas sector of Niger Delta of Nigeria is facing slow growth and development due to corruption in internal system of the country	50	1.00	5.00	3.8200	1.36561	-1.013	.337	-.329	.662
Valid N (listwise)	50								

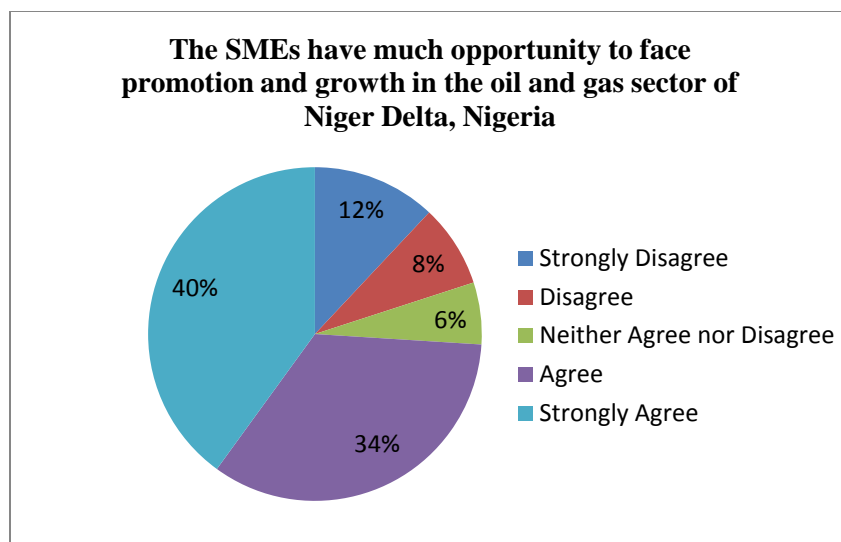
It is noticed from the graph above that many of the employees strongly agreed with the fact that oil and gas sector of Niger Delta is facing slow growth and development because of corruption in the internal system of the country. Moreover, the value of skewness shows that data is not distributed normally and is negatively skewed.



Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Significant role is played by small and medium enterprises (SMEs) in the development and maintainance of economic balance of the country	50	1.00	5.00	3.6600	1.43726	-.829	.337	-.735	.662
Valid N (listwise)	50								

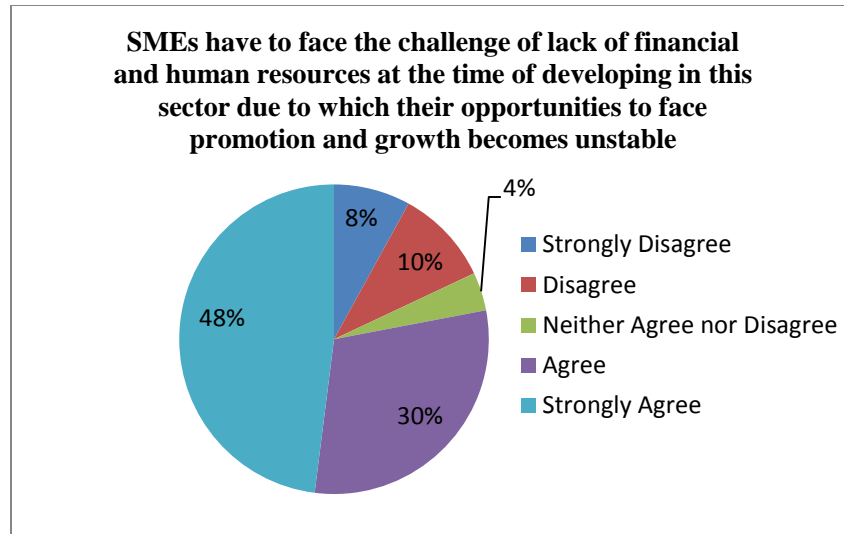
It is found from the above table and graph that significant role is played by small and medium enterprises in the development and maintenance of economic balance of the country and most of the participants strongly agree with this. However, the skewness value shows that the collected information is skewed adversely.



Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
The SMEs have much opportunity to face promotion and growth in the oil and gas sector of Niger Delta, Nigeria	50	1.00	5.00	3.8200	1.36561	-1.063	.337	-.119	.662
Valid N (listwise)	50								

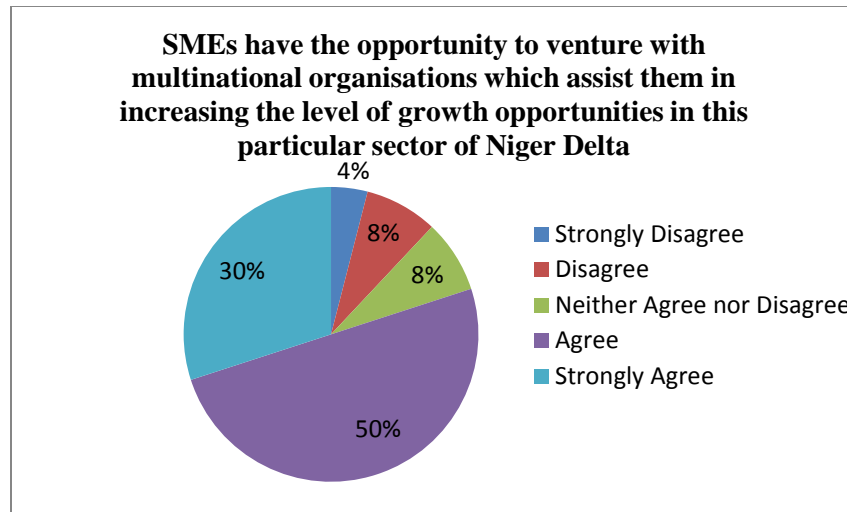
It is observed from the above table and graph that the small and medium enterprise have much opportunity to face promotion and growth in the oil and gas sector of Niger Delta, Nigeria and most of the respondents strongly agree with this. In addition, the skewness value shows that the gathered information is negatively skewed.



Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
SMEs have to face the challenge of lack of financial and human resources at the time of developing in this sector due to which their opportunities to face promotion and growth becomes unstable	50	1.00	5.00	4.0000	1.29363	-1.237	.337	.349	.662
Valid N (listwise)	50								

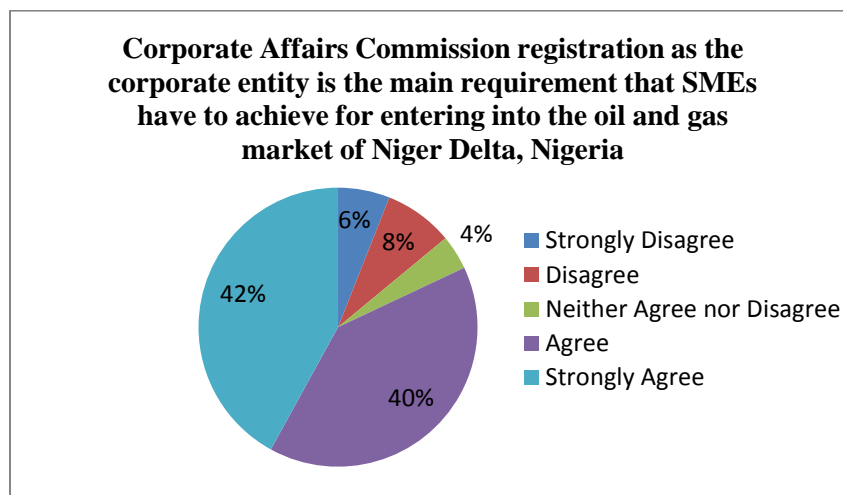
From the above table and graph it is observed that SMEs have to face the challenges of lack of financial and human resources at the time of developing in this sector due to which their opportunities to face promotion and growth become unstable and most of the participants strongly agree with the above statement. Furthermore, the value of skewness shows that the collected information is negatively skewed.



Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
SMEs have the opportunity to venture with multinational organisations which assist them in increasing the level of growth opportunities in this particular sector of Niger Delta	50	1.00	5.00	3.9400	1.03825	-1.244	.337	1.336	.662
Valid N (listwise)	50								

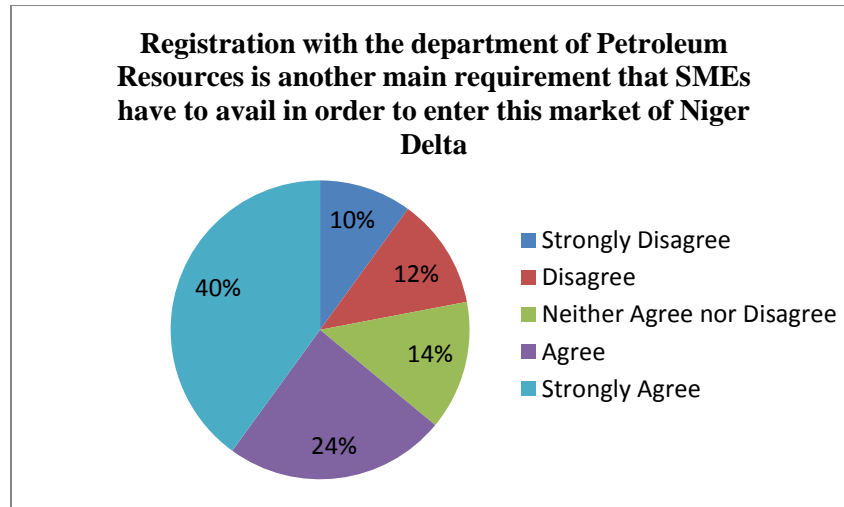
It is noticed that from the above table and graph that SMEs have the adequate opportunity to venture with multinational organisation, which assist them in increasing the level of growth opportunities in this particular sector of Niger Delta and most of the participants strongly agree with this. In addition, the value of skewness in the table provided above shows that the information is negatively skewed and is not distributed normally as its value is less than zero.



Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Corporate Affairs Commission registration as the corporate entity is the main requirement that SMEs have to achieve for entering into the oil and gas market of Niger Delta, Nigeria	50	1.00	5.00	4.0400	1.15987	-1.388	.337	1.213	.662
Valid N (listwise)	50								

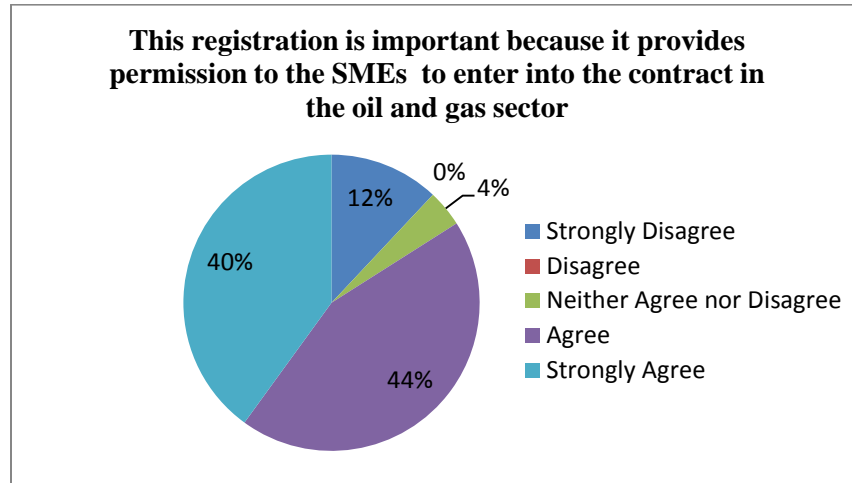
The graph provided above shows that majority of the employees of Allied Energy PLC strongly agreed with the fact that the main requirement that SMEs have to consider at the time of entering the oil and gas market of Niger Delta is registration with the Corporate Affairs Commission. The data provided in the table depicts the fact that data is not distributed normally and is negatively skewed, as it is not close to zero.



Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Registration with the department of Petroleum Resources is another main requirement that SMEs have to avail in order to enter this market of Niger Delta	50	1.00	5.00	3.7200	1.37083	-.756	.337	-.699	.662
Valid N (listwise)	50								

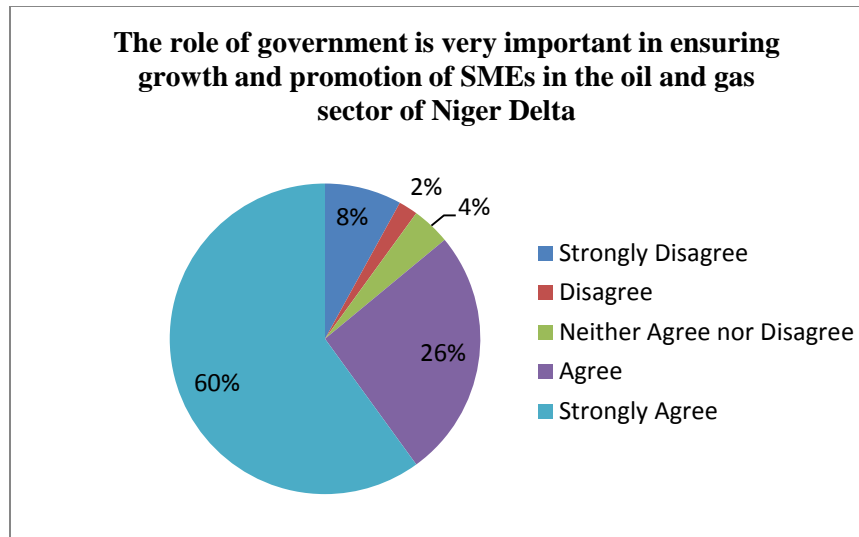
The graph provided above shows that many of the participants strongly agreed with the statement that registration with the department of Petroleum Resources is another main requirement that SMEs have to follow at the time of entering the market of Niger Delta. Moreover, the value of skewness in the table shows that data is negatively skewed as its value is less than zero and it is not distributed normally.



Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
This registration is important because it provides permission to the SMEs to enter into the contract in the oil and gas sector	50	1.00	5.00	4.0000	1.24540	-1.585	.337	1.678	.662
Valid N (listwise)	50								

It is noticed from the graph provided above that majority of the participants agreed with the fact that registration with the department of Petroleum Resources is important for the company because it gives permission to the small and medium enterprises in order to enter into the contract in this particular sector. Moreover, the value of skewness in the table shows that data is negatively skewed and is not distributed normally as its value is not zero and is in negative.



Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
The role of government is very important in ensuring growth and promotion of SMEs in the oil and gas sector of Niger Delta	50	1.00	5.00	4.2800	1.17872	-1.899	.337	2.824	.662
Valid N (listwise)	50								

It is observed from the graph provided above that many of the employees of Allied Energy PLC strongly agreed with the fact that government plays vital role in ensuring growth and promotion of SMEs in the oil and gas sector of Niger Delta. Moreover, the value of skewness in the table provided above depicts that the information is negatively skewed and is not distributed normally as its value is less than zero.

Chapter 5: Discussion

5.1 Discussion on Research Objectives

It is found that the role of SMEs is quite important in the success of overall economic activities of Nigeria for the reason that they are able to enhance the opportunities for businesses that are dealing particularly in the oil and gas sector. Moreover, it is a core duty of the top officials of Nigeria to provide adequate opportunities to their SMEs that would assist them to enhance their business operations to the utmost level. However, it is important from the prospect of a country that their industrial sector should perform their part viably for the reason that this is the only way through which they can easily encourage the foreign investment to invest their resources in that country in a constant manner. It is found that the oil & gas sector of Nigeria is the core area through which they can earn their maximum revenue for that reason that the higher officials of Nigeria should take some serious measures in order to create more opportunities for SMEs to boost this sector in a more effective way (Ariweriokuma, 2008; Ackah-Baidoo, 2012).

Moreover, it is important for the success of a country that they must maintain healthy business environment within the country for the reason that this might be the biggest factor that influence the overall business activities and the foreign investment as well. In addition, with the help of effective rules & regulations Nigerian government can easily give protection to the foreign investors that would be very beneficial for the economic success of their country. However, the key challenge stopping the efficiency of local content policy is the lack of an Act of parliament regarding the implementation of new rules & regulations for SMEs that are operating in oil & gas sector of Nigeria (Latham, 2011). On the other hand, *NAPIMS* and *DPR* create rules and principles after some interval of time that effect into ‘fluctuating of the target posts’ at determination by the officials and inclines to have negative impact on SMEs working in the

industry. For that reason, once new rules are proposed, and firms start to make indispensable modifications in line with the plans another unexpected guideline might influence adversely on their key activities. Oyedepo (2012) stated that an Act would assist streamline both the rules and the activities of the regulators as well as increase a more effective execution, checking, and understanding of the imposed policy.

It is observed from previous studies (Frynas, 2010; Leo, 2013; Balouga, 2012) that significant role is played by the SMEs in development and maintenance of economic condition of the country. This is because SMEs does not need huge amount of investment, as it is required by large organisations for financing the activities. The results support this fact in the manner that many of the respondents of the questionnaire strongly agreed with the statement that SMEs are important for the country in terms of development of economic conditions because they are the means of expanding the industry. Moreover, growth and promotion opportunities for SMEs in the sector of Niger Delta is wide because they have the chance to create joint ventures with multinational companies which increases the level of opportunities for them. This aspect is supported with results as it is noticed from the graph that many of the employees of Allied Energy PLC strongly agreed with the fact that SMEs in Niger Delta has various growth opportunities in oil and gas sector. In addition to this, the results depict the fact that in order to enter into the market of Niger Delta there are certain aspects that needs to be considered by SMEs. Among different factor, the most important is the registration with the Corporate Affair Commission as a corporate entity. Apart from this, they have to attain registration with the department of Petroleum Resources so that they have legal permission to enter into the oil and gas contract.

Previous studies (Sonibare, 2015; Terje, et al., 2012; De Vita & Lagoke, 2015) highlight the fact that although there are various opportunities for the SMEs in this particular market but they still have to face different challenges. These challenges include financial support, lack of human resources, and effective implementation of policies, complying with rules and regulations and others. Among all these challenges, the most prominent are lack of human and financial resources as many of the large investment companies do not prefer to give loan to small and medium enterprises. This perspective is supported with the result in which many of the employees of the opinion that Allied Gas LTS had to face the problem of lack of financial and human resources at start because of being SME. The ventures and financial institutions does not granted loan due to which they had to face trouble in the proper implementation of procedures. Moreover, many of the qualified and experienced individuals preferred to work in multinational organisations due to which they did not have competent employees at start. This means that organisations working in oil and gas sector of Niger Delta had to face the financial and human resource problem.

Moreover, it is also noticed from the literature review and case study that local content policy is the effective step that is taken by Nigeria in order to promote the small and medium scale enterprises in the oil and gas sector of Niger Delta. With the help of introduction of local content policy, many of the opportunities were introduced for the SMEs due to which they were able to overcome their barriers and turn into large or stable oil company of Nigeria. The case of Allied Energy PLC demonstrate the fact that local content policy despite some issues have helped them a lot in promoting and growing in this particular sector. The aim of the local content policy was to introduce opportunities and ways through which the SMEs of Nigeria can promote them in the oil and gas sector. Moreover, it is noticed that increased amount of foreign resources in the

nation is another reason of promotion of the country. Therefore, based on this, it is analysed that local content is the main contributor towards promotion and growth of small and medium scale enterprises in the Niger Delta, Nigeria.

Chapter 6: Conclusion and Recommendation

6.1 Conclusion

The main aim of the research study is to evaluate the ways in which local content contributes in the growth and promotion of small and medium scale enterprises in the oil and gas sector of the Niger Delta. Oil and gas sector is the significant part of Niger Delta, which ensures the growth and promotion opportunities for the firm increases. In order to ensure this growth, the local content was introduced which worked in the beneficial manner for the economy particularly SMEs because they availed different opportunities. It is noticed that particularly in oil and gas sector the growth opportunities for SMEs are wide as they can join with multinational organisations in order to promote their functions and operations. However, despite the opportunities, there are various challenges that organisations such as Allied Energy PLC had to face at the time establishing their business. The most significant hurdle is lack of financial and human resources that they face in promoting their business.

In addition to this, some of the prominent ways are there that SMEs in Niger Delta can use for promoting and growing their firm. This comprises of peace and sustainability, cross cutting strategy, communication links with stakeholders, investments in physical infrastructure and gender equality. These are some of the common methods with the help of which, the organisations such as Allied Energy PLC can promote their business. It is noticed that by building strong communicational link with stakeholders, the firms gain the ability to interact about the strength and weaknesses with employees and management. With the help of this, the organisation can decide about the strategies through which their business can be promoted and

made stable. Similarly, other methods also play vital role in making this aspect of promotion and growth successful for the SMEs in oil and gas sector of Niger Delta.

In order to achieve the research objectives, the approach that is used in this study is inductive because the nature of the study is qualitative. For the purpose of evaluating the aim of the study both primary and secondary data is collected which then analysed in order to reach on effective conclusion. The primary data is collected by conducting survey from the employees of Allied Energy PLC in which a questionnaire of 10 close-ended questions is sent to the employees by making use of social media. The data collected from survey is then analysed by conducting descriptive statistics on SPSS, which is then interpreted in the results sector of this study. While on the other hand, secondary data is collected by selecting previous studies, which are researched from different databases and search engines. The databases and search engines that were used include Google Scholar, Yahoo, Jstor, EBSCOHost, Bing and others. The studies that were not linked to the topic were rejected and only those studies were used for literature review that was available in full. Moreover, the data analysis method that is used in this study is quantitative because it involves use of statistical approach for analysing results.

6.2 Recommendations

There are few recommendations that ought to be considered by the researcher at the time of conducting the research for the reason that it would help them to attain their research objective viably. Some of the key recommendations are as follows:

- It is imperative from a researcher perspective that he\she should consider the most appropriate approach to direct an exploration in light of the fact that it would help them to achieve a key goal of a study.
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- It is imperative for a credible and authentic study that the investigator must consider all sort of data instead of to focus especially on any one particular kind of information.
 - The researcher must concentrate on differing appropriate studies that might be related with the matter of this research.
 - In addition, the role of government is quite important in the process of encouraging SMEs in Nigeria that should be more explored and discussed.
 - It is critical for the accomplishment of a research that the gathered information must be valid and dependable for the reason this is the main path through which the viability of research is increases to the utmost level.
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Appendix

Questionnaire

The oil and gas sector of Niger Delta in Nigeria is the wide industry which provides various growth and promotion opportunities to the SMEs

Strongly Disagree	8
Disagree	5
Neither Agree nor Disagree	1
Agree	16
Strongly Agree	20
Total	50

The oil and gas sector of Niger Delta of Nigeria is facing slow growth and development due to corruption in internal system of the country

Strongly Disagree	5
Disagree	7
Neither Agree nor Disagree	0
Agree	18
Strongly Agree	20
Total	50

Significant role is played by small and medium enterprises (SMEs) in the development and maintenance of economic balance of the country

Strongly Disagree	7
Disagree	6
Neither Agree nor Disagree	2
Agree	17
Strongly Agree	18
Total	50

The SMEs have much opportunity to face promotion and growth in the oil and gas sector of Niger Delta, Nigeria

Strongly Disagree	6
Disagree	4
Neither Agree nor Disagree	3
Agree	17
Strongly Agree	20
Total	50

SMEs have to face the challenge of lack of financial and human resources at the time of developing in this sector due to which their opportunities to face promotion and growth becomes unstable

Strongly Disagree	4
Disagree	5
Neither Agree nor Disagree	2
Agree	15
Strongly Agree	24
Total	50

SMEs have the opportunity to venture with multinational organisations which assist them in increasing the level of growth opportunities in this particular sector of Niger Delta

Strongly Disagree	2
Disagree	4
Neither Agree nor Disagree	4
Agree	25
Strongly Agree	15
Total	50

**Corporate Affairs Commission
registration as the corporate
entity is the main requirement
that SMEs have to achieve for
entering into the oil and gas
market of Niger Delta, Nigeria**

Strongly Disagree	3
Disagree	4
Neither Agree nor Disagree	2
Agree	20
Strongly Agree	21
Total	50

**Registration with the
department of Petroleum
Resources is another main
requirement that SMEs have to
avail in order to enter this
market of Niger Delta**

Strongly Disagree	5
Disagree	6
Neither Agree nor Disagree	7
Agree	12
Strongly Agree	20
Total	50

**This registration is important
because it provides permission
to the SMEs to enter into the
contract in the oil and gas sector**

Strongly Disagree	6
Disagree	0
Neither Agree nor Disagree	2
Agree	22
Strongly Agree	20
Total	50

**The role of government is very
important in ensuring growth
and promotion of SMEs in the
oil and gas sector of Niger Delta**

Strongly Disagree	4
Disagree	1
Neither Agree nor Disagree	2
Agree	13
Strongly Agree	30
Total	50
