

**EFFECT OF STRATEGIC ALLIANCE ON THE PERFORMANCE OF  
SELECTED ICT FIRMS IN LAGOS STATE**

**OGWU EUNICE ONYEBUCHI**

**(13AB014608)**

**SEPTEMBER, 2021**

**EFFECT OF STRATEGIC ALLIANCE ON THE PERFORMANCE OF  
SELECTED ICT FIRMS IN LAGOS STATE**

**BY**

**OGWU EUNICE ONYEBUCHI**

**(13AB014608)**

**B.sc Business Administration, Covenant University, Ota**

**A DISSERTATION SUBMITTED TO THE SCHOOL OF POSTGRADUATE  
STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE  
AWARD OF MASTER OF BUSINESS ADMINISTRATION (MBA) DEGREE IN  
BUSINESS ADMINISTRATION IN THE DEPARTMENT OF BUSINESS  
MANAGEMENT, COLLEGE OF MANAGEMENT AND SOCIAL SCIENCES,  
COVENANT UNIVERSITY.**

**SEPTEMBER, 2021**

## ACCEPTANCE

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

**Mr. John A. Philip**

.....

(Secretary, School of Postgraduate Studies)

Signature and Date

**Prof. Akan B. Williams**

.....

(Dean, School of Postgraduate Studies)

Signature and Date

## **DECLARATION**

I, **OGWU EUNICE ONYEBUCHI (13AB014608)** declares that this research was carried out by me under the supervision of **Prof. Chinonye Love Moses** of the Department of Business Management, College of Management and Social sciences, Covenant University, Ota, Nigeria.

I attest that the dissertation has not been presented either wholly or partially for the award of any degree elsewhere. All sources of data and scholarly information used in this dissertation are duly acknowledged.

**OGWU, EUNICE ONYEBUCHI**

.....

Signature and Date

# CERTIFICATION

This is to certify that this research study titled “**EFFECT OF STRATEGIC ALLIANCE ON THE PERFORMANCE OF SELECTED ICT FIRMS IN LAGOS STATE**” is an original research work carried out by **OGWU, EUNICE ONYEBUCHI (13AB014608)** in the Department of Business Management, College of Management and social sciences, Covenant University, Ota, Ogun State, Nigeria under the supervision of Prof. Chinonye Love Moses. We have examined and found that this work is acceptable as part of the requirements for the award of the Degree of Masters of Business Administration (MBA) in Business Administration.

**Professor Chinonye Love Moses** .....  
(Supervisor) Signature and Date

**Professor Anthonia A. Adeniji** .....  
(Head of Department) Signature and Date

**Professor Adedoyin O. Ologunde** .....  
(External Examiner) Signature and Date

**Professor Akan B. Williams** .....  
(Dean, School of Postgraduate Studies) Signature and Date

## **DEDICATION**

This research work is foremost dedicated to God Almighty for His unwavering love, grace and mercy showered on me in my academic pursuit.

## **ACKNOWLEDGEMENTS**

The success of this research project has been made possible by the Almighty God, in whom there is no shadow of turning and His mercies endures forever towards me. I give God thanks for keeping me alive to complete this research work, to him alone be all glory. Amen.

My gratitude goes to Dr. David O. Oyedepo the founder and Chancellor of covenant University for his visionary leadership. I am grateful to the University management under the competent leadership of Professor Abiodun H. Adebayo (The Vice-Chancellor), Professor Akan Williams Dean School of Postgraduate Studies (SPS), Dr. Emmanuel O. Amoo (Sub-Dean School of Postgraduate Studies) and the Registrar Pastor Oluwasegun Omidiora. I deeply appreciate the support of Professor Uwalomwa Uwuigbe (Dean, College of Management, and Social Sciences). Special thanks to the Sub-Dean, Professor Obinna Nwinyi, for their leadership by example and continual support. I sincerely appreciate the efforts of the Head of Department Business Management, Professor Antonia Adeniji. May the Lord reward your labour of love and selflessness in Jesus name.

I specially thank my supervisor Professor Chinonye Love Moses for your relentless effort towards the success of this research, your valuable and motherly guidance and kind supervision is something I hold dearly and appreciate.

I also appreciate the incumbent PG Coordinator of the Department, Dr Ebe Igbinoba, for her administrative support. I also appreciate Dr Ogunnaike, Dr Mercy Ogbari, Dr Maxwell, Dr. Stephen Ibidunni, Dr. Augusta, Dr. Mosun, Dr Paul Salau Dr. Daniel Ufua, Dr. Borishade and Dr Atolagbe, for all your encouragements, and all other great faculty members of the Business Management department thank you all for the support all through.

I would also like to appreciate the staff of MAIN ONE, MICROACCESS, ROE LTD and WIPRO for their contribution in completing the survey.

I also dedicate this research project to my Parents Engr. Godfrey Ogwu and Mrs Evelyn Ogwu, my siblings Precious Ogwu, Valentine Ogwu and Bemice Ogwu, for their sincere love, push and support. This may not have been a reality without them.

I also want to appreciate my friends and colleagues for their support and encouragement all through my time of study. I have no valuable words to express my thanks, but my heart is full.

# TABLE OF CONTENTS

<b>TITLE PAGE</b>	<b>II</b>
<b>ACCEPTANCE</b>	<b>III</b>
<b>DECLARATION</b>	<b>IV</b>
<b>CERTIFICATION</b>	<b>V</b>
<b>DEDICATION</b>	<b>VI</b>
<b>ACKNOWLEDGEMENTS</b>	<b>VII</b>
<b>TABLE OF CONTENTS</b>	<b>VIII</b>
<b>LIST OF TABLES</b>	<b>X</b>
<b>LIST OF FIGURES</b>	<b>XI</b>
<b>ABSTRACT</b>	<b>XII</b>
<b>CHAPTER ONE: INTRODUCTION</b>	<b>1</b>
1.1 Background to the Study	1
1.2 Statement of the Research Problem	4
1.3 Objective of the Study	6
1.4 Research Questions	7
1.5 Research Hypotheses	7
1.6 Significance of the Study	7
1.7 Scope of the Study	8
1.8 Research Methods	9
1.9 Operationalization of the Research Study	10
1.10 Schematic Model	11
1.11 Outline of Chapters	11
1.12 Definition of Terms	12
<b>CHAPTER TWO: LITERATURE REVIEW</b>	<b>14</b>
<b>2.1 Conceptual Review</b>	<b>14</b>
2.1.1 Strategic Alliance	14
2.1.2 Types of Strategic Alliance	17
2.1.3 Motivation of Strategic Alliances	19
2.1.4 Importance of Strategic Alliance	21
2.1.5 Alliance Formation Process	23
2.1.6 Strategic Alliance in Other Sectors	24
2.1.7 Alliance Life Cycle	24
2.1.8 Risk of Strategic Alliance	28
2.1.9 Characteristics of Strategic Alliances in the Different Industries	30
2.1.10 Technology Alliance	33
2.1.11 Capacity Building	34
2.1.12 Research and Development	37
2.1.13 Marketing Alliance	38
2.1.14 Organisational Performance	38
2.1.15 Market Share	40
2.1.16 Employee Commitment	40
2.1.17 Service Quality	42
2.1.18 Corporate Image	43
2.1.19 Strategic Alliances and Performance of ICT Firms	45



<b>2.2 Theoretical Review</b>	46
2.2.2 The Resource Base View (RBV)	50
2.2.3 The Transaction Cost Theory	53
<b>2.3 Empirical Review</b>	56
2.4 Gaps in Literature	59
<b>CHAPTER THREE: METHODOLOGY</b>	<b>60</b>
3.1 Research Philosophy	60
3.2 Research Approach	60
3.3 Research Methods	61
3.4 Research Design	61
3.5 Population of the Study	61
3.6 Sample Size Determination	62
3.7 Sampling Frame	64
3.8 Sampling Techniques	64
3.9 Sources of Data Collection	64
3.10 Research Instruments	65
3.11 Validity of the Research Instrument	65
3.12 Reliability of the Research Instrument	65
3.13 Methods of Data Presentation and Analysis	66
3.14 Ethical Considerations	67
<b>CHAPTER FOUR: RESULTS AND DISCUSSIONS</b>	<b>68</b>
4.1 Data Presentation	68
4.2 Demographic Data Analysis	69
4.3 Descriptive Analysis of Responses Relating to Relevant Variables	72
4.4 Hypotheses Testing	88
4.4.1 Test of Hypothesis One	88
4.4.2 Test of Hypothesis Two	91
4.4.3 Test of Hypothesis Three	93
4.4.4 Test of Hypothesis Four	96
4.5 Discussion of Findings	98
4.5.1 Theoretical Findings	98
4.5.2 Empirical Findings	99
<b>CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS</b>	<b>102</b>
5.1 Summary of Study	102
5.2 Conclusion	103
5.3 Recommendations	104
5.4 Contribution to Knowledge	105
5.5 Delimitation of the Study	106
5.6 Suggestion for Further Research	106
<b>REFERENCES</b>	<b>108</b>
<b>APPENDIX I</b>	<b>119</b>

## LIST OF TABLES

Table 1.1	Motives and Objectives of Strategic Alliance by Industrial	21
Table 2.1	Strategic Motives of Strategic Alliances	64
Table 3.1	Population of Employees in the Selected Firms	62
Table 3.2	Determination of Sample Size	63
Table 3.3	Proportionate Allocation of Copies of Questionnaire	64
Table 3.4	Reliability Test	66
Table 4.1	Response Rate	68
Table 4.2.1	Frequency Distribution of Respondents by their Social Demographic Characteristics	69
Table 4.2.2	Frequency Distribution of Respondents by their Strategic Alliance Characteristics	71
Table 4.3.1	Respondent Opinion on Strategic Technology Alliance	73
Table 4.3.2	Respondent Opinion on Strategic Capacity Building Alliance	75
Table 4.3.3	Respondent Opinion on Strategic Research & Development Alliance	77
Table 4.3.4	Respondent Opinion on Marketing Alliance	79
Table 4.3.5	Respondent Opinion on Service Quality	81
Table 4.3.6	Respondent Opinion on Employee Commitment	83
Table 4.3.7	Respondent Opinion on Market Share	85
Table 4.3.8	Respondent Opinion on Strategic Corporate Image Alliance	87
Table 4.4.1a	Model Summary	89
Table 4.4.1b	ANOVA	90
Table 4.4.1c	Coefficient	91
Table 4.4.2a	Model Summary	91
Table 4.4.2b	ANOVA	92
Table 4.4.2c:	Coefficient	93
Table 4.4.3a	Model Summary	94
Table 4.4.3b	ANOVA	95
Table 4.4.3c:	Coefficient	95
Table 4.4.4a	Model Summary	96
Table 4.4.4b	ANOVA	97
Table 4.4.4c:	Coefficient	98

## LIST OF FIGURES

Figure 1	Schematic Model	11
Figure 2	Interfirm Relationship Categorized Strategic Alliance	17
Figure 3	Alliance life cycle phase and key success factors	28

## ABSTRACT

*This research aimed at assessing the effect of Strategic Alliance on performance of selected ICT firms in Nigeria. The study Specific Objectives of the study were to determine the effect of strategic technology alliance on service quality of ICT firm, investigate how strategic capacity building alliance can significantly influence employee commitment to organisation, examine how strategic research and product development alliance can affect the market share and to ascertain the contribution of strategic marketing alliance on corporate image. Study hypotheses were raised respectively in line with the objectives of the study. The study adopted three theories, Knowledge Based view, Resource based theory and Transaction Cost Theory. The study used survey research design. The area of study was the ICT industry in Nigeria. The target population of the study was 245 employees of ICT firm who have their corporate offices in Lagos State Nigeria and have been recognized to have adopted strategic alliance in their business operations. This study used purposive and stratified random sampling technique to collect data from the Sampled respondents. Questionnaire was used as the main data collection instrument, as 169 structured questionnaires were administered and a total of 145 was usable for the study analysis. The validity and reliability of the research instrument was assured. Descriptive and inferential Statistics were used in analyzing and presenting the data collected for this study. Regression analysis was used in validating the hypotheses raised in this study. The result showed that strategic technology alliance has a significant effect on improved service quality of ICT firm, strategic capacity building alliance significantly influences employee commitment to organisation, strategic research and product development alliance have significant effect on market share and strategic marketing alliance has a significant impact on corporate image of ICT firms in Nigeria. This study concludes that strategic alliance has a significant positive effect on performance of ICT firms in Nigeria. Recommendations from among others are as follows: that stakeholders in the ICT industry especially regulatory agencies and other partners should form a strategic alliance structure and process as this could form an effective strategic management manual or guidelines for improving the performance of strategic partners in the ICT industry, Management should create a workplace culture to accommodate strategic alliance adoption and implementation as well as providing the right resources and tools to guarantee efficiency in the performance and organisations management should initiate appraisal process of all its alliances in other to ensure that firms reap optimal benefits of the strategic alliances.*

Keywords: ICT industry, Marketing alliance, Strategic alliance, Technology alliance.