

**AN ANALYSIS OF THE ROLE OF MULTINATIONAL CORPORATION IN THE  
HOST COUNTRY'S INTEGRATION OF INTERNATIONAL AND INDIGENOUS  
BUSINESS - A CASE STUDY ON GLAXOSMITHKLINE IN NIGERIA.**

**By**

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## **Abstract**

The study examined the role of multinational corporations (MNCs) in the host country's integration of international and indigenous businesses, via an empirical investigation of selected MNC in Nigeria. Purpose sampling was employed to select 113 respondents from the selected MNC (i.e. Glaxo SmithKline), World Trade Organization, and Government workers in Nigeria. The study employed both descriptive analyses, ordinary least square, and analysis of variance. Findings revealed as follows: First, the integration of international and indigenous business brings about lists of socio-economic benefits to the host nation. Secondly, Multinational Corporations, World Trade Organization, and Government attitudes contributed positively and significantly to the integration of indigenous and international business ( $\beta=0.897$ ,  $p<0.01$  for Multinational Corporation;  $\beta =0.726$   $p<0.01$  for World Trade Organization and  $\beta =0.297$ ,  $p<0.01$  for Government attitude) respectively. Eventually, the study recommended that the host nation should encourage the integration of indigenous and international businesses. Also, multinational corporations should be allowed to thrive in the economy as it helps in boosting the integration of international and indigenous businesses. This study contributes empirical data and advances existing knowledge about the focused research subjects.

**Submission of Thesis and Dissertation**

**National College of Ireland  
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12<sup>th</sup> August 2020.**

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## **Dedication**

This work is dedicated to God almighty who is the author and finisher of my faith. Who has made it possible for me to get to this point in life and seeing me through to God alone be all the glory. To every single one who has made it possible for me to come to Ireland to study to get my post-graduate degree.

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## **List of Abbreviations**

GSK: GlaxoSmithKline

MNC: Multinational Companies

WTO: World Trade Organization

# INTRODUCTION

## 1.1 Background of the study

Businesses in today's world can range from small enterprises to large multinational companies (MNCs). Where the functions of a small enterprise are limited within a small local territory in a country, MNC's business activities are spread in territories of more than one country (Macer and Wilson, 2017). MNCs can have offices as well as factories in several countries that are controlled and guided centrally from the headquarters. The advent of MNCs in the global economy has a major influence on the integration of foreign and indigenous businesses. Such integration has a profound impact on the economic, social, political, cultural, and legal environments of a country (Edwards and Rees, 2017). The efficient mobility of resources has been ensured through the integration of indigenous and international businesses. Indigenous businesses are designed to emphasize on the environment and the needs of local customers (Hillman, 2015). Whereas international businesses are expected to be aware of several business environments that are highly challenging. Being unaware of the international business environment, indigenous businesses might put themselves in a disadvantaged position. This might lead them to lose business expansion opportunities. By working with businesses that have international exposure, indigenous business organizations can easily get access to the international business environment (Hofstede, 2012).

This study focus on the analysis of the role of MNCs in the host country's integration of international and indigenous businesses. For the analysis of this research, the selected indigenous businesses of Nigeria are those that work closely with GlaxoSmithKline (GSK), which is one of the largest MNCs in the world.

## 1.2 The Rationale of the Research

The integration of indigenous with international business organizations can have a significant role in ensuring the business and economic prosperity of a country (Chou *et al.*, 2017). The concept of globalization allows countries to interact for economic and political benefits. Many countries are embracing the integration of international businesses with local businesses. But there are several ways of connecting indigenous businesses with international businesses, for instance through Joint ventures or franchising to mention a few (Grozdanovska, Jankulovski, and Bojkovska 2017). Different integration methods have different levels of effectiveness.

The specialization of production is a renowned economic factor that ensures the best use of resources (Macer and Wilson, 2017). Innovations leveraged locally to capitalize on individual

subsidiary capital and entrepreneurship makes the innovation used to be on a global scale, whereas innovations that are linked globally connect the resources and capabilities of a global unit in the company to create and implement this innovation on a joint basis. This specialization of production can be facilitated through international trade practices (Furusawa, Brewster, and Takashina, 2016). The integration of international and indigenous businesses can make international trade feasible.

MNCs that have businesses in different countries and generally maintain high standards in business operations, products, and services. In doing so, MNCs can avoid legal and environmental obligations that can arise from the business environments of different countries (Edwards and Rees, 2017). Indigenous businesses can learn from MNCs by working with them. This will help indigenous businesses to improve their operations.

The digitalization of communication, information, and data management system has revolutionized the landscape of the business world. People now have access to a vast source of information through which they can compare the features of products and services all over the world. Local businesses can capitalize on this opportunity by working with foreign companies (Fitzgerald and Rowley, 2016). The public will also have access to foreign products and services which now makes the integration of indigenous with international business necessary. Many studies have shown that international trade is possible through the integration of indigenous and international businesses (Bartlett and Ghoshal, 2017).

In the study of Osuagwu and Ezie (2013) with a research focus on multinational corporations and the Nigerian economy, he seeks to examine how multinational corporations influence the Nigerian economy and the role of multinational corporations as agents of imperialism in any economy they operate. In this research no connects was found between MNCs and indigenous corporation in Nigeria. Also, in the study of Antras and Yeaple (2014) that examined multinational firms and the structure of international trade he seeks to examine the state of international trade on multinational firms. The study seeks to establish how firms operate in several countries while others do not and also the study seeks to establish how production facilities are located. It is interesting to note that such previous studies never linked the role of multinational corporations and local firms in their host countries, representing an important research gap. Thus, this research subject is a suitable topic to conduct research work at this point to bridge the gap that other studies failed to address.

### **1.3 Research Context**

The primary research focus of this study is to understand the role of MNCs in the host country's integration of indigenous and international businesses. The focused research context of Nigeria is suitable for such a study topic for a few reasons. For instance, Nigeria is an emerging market with the 27th largest economy in the world. The GDP of the country is over \$450 billion, with an estimated population of 202 million people living in this country. The country is bestowed with a large number of natural resources, and Nigeria is the largest exporter of crude oil in Africa. Volatility in oil prices greatly influences the GDP growth of the country. The average GDP growth of the country from the year 2000 to 2014 was about 7% on average, which then fell to about 2.7% in 2015 when there was a fall in oil price. The average GDP growth of the country has been 2% on average since 2015 ([www.worldbank.com](http://www.worldbank.com), 2019).

This dependence on natural resources threatens the stability of the economy. Now the country is focusing on manufacturing and consumption for GDP growth for which it is opening its economy for foreign investors. MNCs are investing greatly in this growing economy where there is huge scope for expansion. All of these background facts of Nigeria's economy suggest that Nigeria is a suitable research context for the primary research focus of analysing the role of MNCs in the host country's integration of international and indigenous businesses.

GSK is one of the largest pharmaceutical companies in the world that has businesses in over 150 countries, and there are around 89 production sites of the company. In Nigeria, the head office is located in Lagos with its manufacturing plant located in Ogun state ([ng.gsk.com](http://ng.gsk.com)). GSK has been a strong presence in the Nigerian market through its regional sales team and also gained vast experience in international expansion through organic growth, merger, and acquisition. The integration of the company can be assessed looking at the mission of the company and the channels of distribution of its product and how they source raw materials ([ng.gsk.com](http://ng.gsk.com)). Thus, analysing the role of GSK as a multinational company can provide strong evidence to this study which might validate the research outcome at an upper level.

#### **1.4 Research Aims and Objectives**

Considering the above research background, research context, and also the literature review conducted (see the following chapter two), the study aims to understand the role of MNCs in the integration of the indigenous and international business, through the empirical investigation of GlaxoSmithKline (GSK) in Nigeria. The key objectives of the research are listed below:

- i. To determine the effect of Multinational Corporation on the integration of international and indigenous business in Nigeria
- ii. To determine the socio-economic benefits behind the integration of indigenous and international business in the context of Nigeria.
- iii. To evaluate the impact of WTO on the integration of international and indigenous businesses in Nigeria.
- iv. To determine the effect of government attitude on the integration of international and indigenous businesses.

#### **1.5 Research Questions**

The research questions in which this study addressed are as follows

- i. What is the effect of multinational corporations on the host country's integration of international and indigenous businesses?
- ii. What is the socio-economic benefit behind the integration of indigenous and international business in the context of Nigeria?
- iii. What is the impact of the World Trade Organization on the host country's integration of international and indigenous business?
- iv. Does the government's attitude towards integration has any significant effects on the host country?

## **1.6 Dissertation Structure**

The study is divided into six chapters. Chapter one consists of the introduction, rationale, aim, and objectives. Chapter two will contain the literature review. This research work is engaged in exploring the role of MNCs in the integration of indigenous and international businesses. GSKs business in Nigeria is analyzed in this research for the collection of evidence and analysis. Previous studies have shown that international business is growing rapidly in Nigeria, and the integration of international and indigenous businesses is taking place there. But the role of MNCs in this issue is not clarified yet through previous studies, representing as a research gap that this study seeks to address. Chapter three contains the research methodology which would be constructed based on questionnaires administered. The analysis part of the research is yet to be constructed through quantitative data analysis which is followed by appropriate conclusions and suggestions. Chapter four is data analysis and result presentation, response rate, test of hypothesis. Chapter five is the discussion of findings from this research. Finally, chapter six is the summary of findings, conclusion, recommendations, and contribution to knowledge and implication of findings to show the learning and skill development of the researcher.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

The economy of the country depends on the business, its operations, and its growth. Different forms of integration of indigenous and international businesses bring lots of impacts on the economy, business, and other areas. According to Abubakar Sadiq (2014), MNC represents the organization that has facilities and assets in different countries other than its home country. MNC has various arms that deal with operations, productions, or factories in different countries, and it has an impact on the home and host country (Campbell and Strikwerda, 2013). This is where globalization influences countries.

This chapter has discussed the integration of indigenous and international businesses, its impacts, and its benefits. The discussion has started with an understanding of the integration of indigenous and international businesses. Following that, the socio-economic benefits of the integration, the role of WTO, and the, negative impacts of integration are addressed, also the attitude of the government to the integration of indigenous and international business.

#### **2.2 Conceptual Issues**

This section explains the relevant terms used in the study. The section covers the concept of indigenous and international business and the integration of indigenous and international businesses.

##### **2.2.1 Concept of Indigenous and International Business**

An indigenous organization can be defined as an organization established and operated in a particular community providing goods or services to the local population (Antras and Yeaple, 2014). An indigenous corporation can be a locally owned business that is owned and controlled by Aboriginal persons. While international business can be defined as an organization that has its headquarter located in one country (home country) and runs in many countries with the sole objective of enhancing profit, acquisition of resources, and reduce the risk of competitive risk (Osagwu and Ezie, 2013). In other words, international business is significantly about comprehending the existence, the operations, and the performance of organizations involved beyond border business transactions. Thus, international business functions beyond national boundaries. International businesses are organizations that strategically operate on a global scale with its headquarters located in metropolitan countries (Osagwu and Ezie, 2013).

## 2.2.2 Integration of Indigenous and International Businesses

According to Banal-Estañol and Seldeslachts (2011), the slow rate of economic development in most developing countries has created a lot of concern among the policymakers, researchers, industries, and foreign direct investors. In this regard, the support for adding indigenous knowledge with indigenous entrepreneurs towards innovations and partnerships with international business has grown (World Trade Organization, 2015). On the other hand, Campbell and Strikwerda (2013) explain that collaborative bottom-up engagements had been done for the sustainability of the organization in local areas where the integration of indigenous and international business was not supported most of the time.

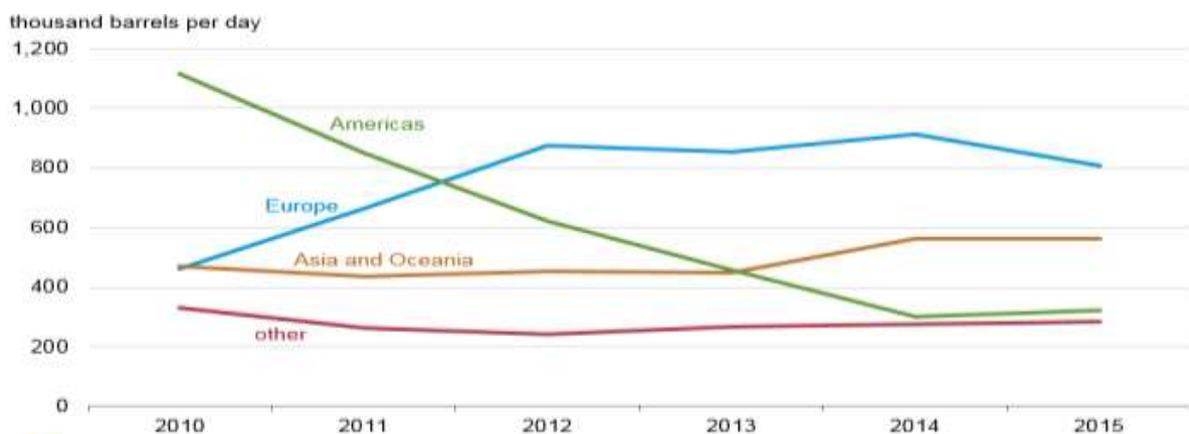


Figure 2.1: Growth of Exports of Nigeria

Source: Chou *et al.* (2017)

Figure 2.1 represents the crude oil export business of Nigeria to different countries. In this situation, the integration with indigenous businesses of Nigeria has been increasing under the business growth. Mostly, with the organizations or MNCs of Asia and Europe, the integration has been seen for keeping the import and export business. The business growth has been done only through the development of MNC and global integration in the market.

Lai *et al.* (2014) state that globalization and global integration pressures had forced MNCs to exploit global resources while integrating with the indigenous business. Park and Town (2014), on the contrary, mention's that forces were not higher as the motivation of global Integration has encouraged the integration of indigenous and international businesses in Nigeria. However, Abubakar Sadiq (2014) did not agree and states the need for efficiency and the developments of advanced technologies that allow industries and companies to expand manufacturing globally. Even the local organizations are getting connected to MNCs in their country to

produce standardized products. (Grozdanovska *et al.*, 2017) explained that the choice of entering a foreign market will depend on several factors but mostly on the nature of existing products of the company and the requirement for the foreign target market. Export can be used for direct sale of the product of an international company or indirectly through sales intermediaries such as agents, trade companies, or intermediary commission by export. The integration of indigenous and international businesses could be in different forms such as joint ventures and franchising to mention a few which will be explained in the coming paragraph.

According to (Grozdanovska *et al.*, 2017) a joint venture is a form of organization of an enterprise where two or more entities come together to achieve certain activities and make profit. Each entity invests funds and take risk. Most times the relationship are bilateral as it involves two sides of a business partnered for strategic advantage. Some reasons for developing such a relationship can be to access new technology, access to raw materials, certain intellectual knowledge, human resources close to the channel of production in certain regions of the world which will enable the company to have a competitive advantage. Also enabling the company to overcome the difficulties of integrating the culture while franchising is a business agreement between two countries, companies, or two commercial entities that build relationships and responsibilities to get their common goals. Franchising is a business strategy used to ensure and increase in the number of buyers. It is a marketing system that gives a clear understanding of current and future buyers of a product or service of a company that can serve to meet the needs of a market. Franchising can also be seen as a means of product and service distribution to meet the needs of a consumer. Besides, MNCs tend to focus on their benefits more than local industries which affect their belief of integration of indigenous and international businesses (World Trade Organization, 2015).

### **2.3 Socio-economic benefits of the integration of indigenous and international business**

A review of the existing literature shows that various socio-economic benefits that can be created by the integrations of indigenous and international business, some of which are explained and addressed in the section below:

#### **2.3.1 Growth Opportunities for Local and International Organizations Vertically or Horizontally.**

When it comes to integration, the government may be confused about the merits or demerits (Campbell and Strikwerda, 2013). Company growth with integration can bring a lot of impact on business sectors, and communities. According to Park and Town (2014), the integration of

indigenous and international businesses imposes many growth opportunities for local and international organization vertically or horizontally. The company can maintain vertical integration with production chain or horizontal integration with a competitor (Key and Czaplewski, 2017). In Nigeria, the M&A or internal growth has been given priority among different strategies of integration of indigenous and international businesses (Lai *et al.*, 2014).

Chatterjee and Brueller (2015) argue that multinational corporations of developed countries tend to focus on more options rather than growing the market. The integration can lead to these desires and options for the business. The necessity of power and authority may push the integration of indigenous and international businesses. However, Chou *et al.* (2017) responded that MNCs would prefer to invest in international markets more than their home countries. International horizontal and vertical integration with the local business has allowed companies from different countries to quickly introduce their product with benefits.

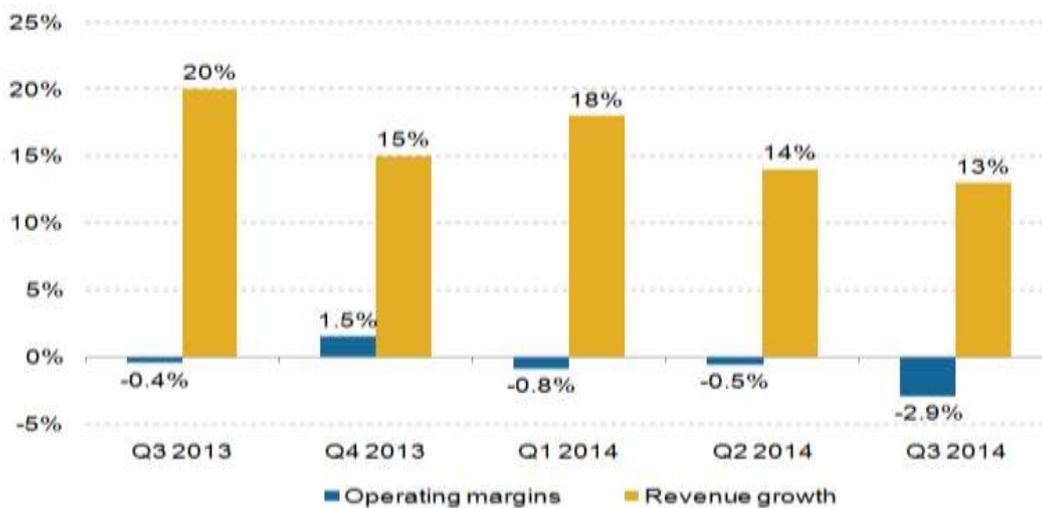


Figure 2.2: Impact of integration of indigenous businesses and international business in Nigeria.

Source: (Bartlett and Ghoshal, 2017)

### 2.3.2 Increase in Revenue and Balance of the Economy

In Nigeria, the growth in revenue has been increasing since 2017 due to integrating international and indigenous organizations. The operating margin was not at the right point, and it has been decreasing due to a lack of proper management. However, Fitzgerald and Rowley (2016) state that numerous studies mostly deliver positive information about the integration of indigenous and international businesses. According to Yusuf *et al.* (2016), the integration of indigenous and international businesses in Nigeria has improved the balance of

the economy. Also, the industries tend to emphasize the investment and business operations of the companies which have supported the country's balance and economic investment situations. On the other hand, Bartlett and Ghoshal (2017) argue with the statement and mentions the integration of indigenous and international businesses only improves the balance in certain sectors of their business. In this situation, the direct flow of capital in export and import businesses can bring loads of responsibilities. However, Nunan and Di Domenico (2018) responded differently that it is not arguable that the integration of indigenous and international businesses brings employment opportunities but also allows MNCs from other countries merging with indigenous industries in the host country.

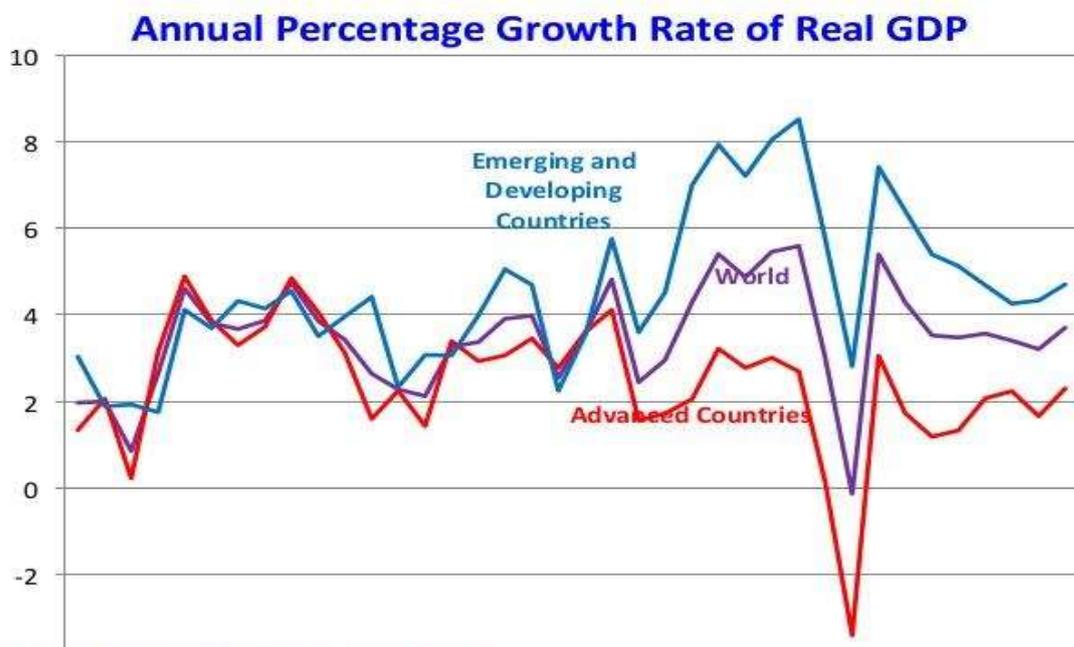


Figure 2. 3: Impacts of Multinational Companies

Source: (World Trade Organization, 2015)

### 2.3.3 Technology and GDP Growth Rate

The growth of the integration of indigenous and international businesses has influenced developing countries more than developed countries (Chou *et al.*, 2017). GDP has been rising due to the integration of MNCs with domestic firms.

But, Edwards and Rees (2017) stated that the integration of indigenous and international businesses helps the government generate tax revenue from the profits of multinational companies for the country. On the contrary, Key and Czaplowski (2017) state that in Nigeria, the benefits from integration had been mostly seen in technology-based services. Even the

growth transferred skills had been developed due to the integrated business strategies. Supporting the statement, Akanmu, Brimah, and Gbadeyan (2018) state that multinational companies bring technology and production methods with them to the host country that are probably new to the local area.

Li and Cao (2018) opined that the sectors and domestic firms in Nigeria have been working hard for the benefits of the new technology as MNCs tend to value their own workers only. But surely, integration has developed business choices for domestic firms. However, Akanmu *et al.* (2018) stated that multinational companies manufacture for domestic markets and the local population uses these products. They deliver a broad range of goods and services for the industries, and the growth of domestic firms can be higher at the same time. while Joseph *et al.* (2019) mentioned that most of the host countries tend to develop their image and brand reputation with the integration of indigenous and international businesses. The indigenous reputation will be developed through the presence of one multinational with different products and supports for domestic firms in the market (Campbell and Strikwerda, 2013).

#### **2.4 Negative Impacts of the Integration of Indigenous and International Businesses.**

As addressed above several socio-economic benefits could be created by integrating the indigenous and international businesses. However, such integration could also lead to some negative impact or consequences which are explained and addressed in the coming section.

##### **2.4.1 Environmental impacts**

Indigenous or domestic firms would have certain aspects and perceptions toward international business. Some firms will not support the establishment of MNCs in their home country, let alone integration (Asian Indigenous People Pact, 2015). But, the integration of indigenous and international businesses happens, and it brings some negative impact to the local market and government. According to Lai *et al.* (2014), multinationals in Nigeria have affected the environment and social lives with their operations. They aim to produce products that are cheap and efficient, and most of their practices are not suitable for environmental sustainability. Chatterjee and Brueller (2015) stated that it is not connected with their manufacturing or production. MNCs would not come up with low production techniques at all.

Chou *et al.* (2017) added that the operation and production of MNCs integrating with domestic firms would create a shift in power where MNCs would have more power than the domestic organization in the host country. Macer and Wilson (2017) explained that in this case, the domestic firms would not be able to get a larger market share without integrating with MNCs.

At the same time, Asian Indigenous People Pact (2015) mentioned that a shift in power and resources of MNCs in Nigeria has already created an economic imbalance between the domestic organization and MNCs. According to Yusuf *et al.* (2016), some countries have confirmed that the integration of indigenous and international businesses has increased uncertainty for the host country. The domestic industries are not able to develop their growth as uncertainty is higher for them. On the contrary, Furusawa *et al.* (2016) added that the competition has been higher since MNCs stepped in. The impact of integration for the local industries can be severe as newly arrived multinationals can produce products at a lower cost compared to domestic firms. However, Fitzgerald and Rowley (2016) opined differently that in Nigeria, multinational corporations integrating with indigenous businesses will influence and increase political pressure in the host country. Multinational corporations have already been responsible for economic imbalance, and they are pressuring the market of the host country for their benefits.

#### **2.4.2 MNC`s Strong Desire for Profit Seeking and Tax Liability**

Numerous studies and researches have been conducted to compare and evaluate the impacts of the integration of indigenous and international businesses. But, Macer and Wilson (2017) discussed that multinationals will always aim to focus on their profit and reduce their tax liability in the host country. The transfer pricing helps them reduce their tax liability in countries with a high tax rate system (Asian Indigenous People Pact, 2015). Nigeria is one of the countries where the MNCs get this scope. Most MNCs are exploitative as natural resources particularly to a developing country like Nigeria is not used productively in development due to decapitalized economy which takes the form of profit repatriations (Osugwu and Ezie 2013).

Key and Czaplewski (2017) also discuss that the negative impact MNCs bring is that they tend to transfer components, materials, and part-finished goods in different markets at differing prices. However, Edwards and Rees (2017) mention that the integration of indigenous and international businesses would ensure that MNCs hire expertise in their management from their home country.

#### **2.4.3 Impact on Culture and Financial Returns**

However, Li and Cao (2018) stated certain reasons which represent the negative impacts of the integration of indigenous and international businesses in Nigeria. According to Akanmu, Brimah, and Gbadeyan (2018), MNCs will look for avenues where profit gained will be

transferred back to the home country and the host country will expect to get high financial returns from the MNC in its market. Akanmu *et al.* (2018), on the contrary, state that the country could deal with adverse impacts of MNCs and integration on cultural and social factors in the host country by influencing the people with western culture. The large numbers of foreign businesses can go against their culture and traditions while influencing the local people through products, employment, and marketing trends (Chou *et al.*, 2017). Recently, the local customs and traditional cultures of Nigeria have been affected by the integration of indigenous and international businesses.

## **2.5 Role of the World Trade Organisation in the integration of international and indigenous businesses.**

According to previous studies, the WTO is reported to have played critical roles in the integration of international and indigenous businesses, which are explained and addressed in the coming section:

### **2.5.1 Boosting Economic Growth**

Different professional organizations and external bodies have concerns about slight changes in the country. Welcoming MNCs from international markets affect the domestic market considerably. Chatterjee and Brueller (2015) state that WTO's trading system supports open trade which can boost economic growth. WTO has always possessed supportive information towards the integration of indigenous and international businesses which helps countries to develop. Yusuf *et al.* (2016) opined that recent conflicts among the countries and negative desires of MNCs have affected the decision and the perception of WTO towards the MNCs. Supporting the statement, Chou *et al.* (2017) added that in Nigeria, the authority has to go through lots of evaluation before allowing MNCs to integrate with indigenous businesses. Commerce and development are good for each other, and WTO agreements are full of provisions for engaging the MNCs in the different markets (World Trade Organization, 2015).

### **2.5.2 Enhancement of Standard of Living**

MNCs and other industries tend to have supports from WTO as it cuts living costs under globalization and raises living standards. In Nigeria, WTO has been supporting MNCs, Mergers, and other options for the integration of indigenous and international businesses to reduce trade tensions and stimulate economic growth and employment (World Bank, 2015). On the other hand, Furusawa *et al.* (2016) argue that WTO has recently seen that MNCs and international businesses are ignoring the rights of domestic firms or workers. Thus, the negative

aspects of the integration of indigenous and international businesses have been increasing with fewer supports for MNCs.

### **2.5.3 Enhancement of the Economy and Social Life of People**

World Trade Organisation tends to identify and support the interests of developing countries for enhancing the economy and social life of its people (World Bank, 2015). The organization works for the system with benefits for its members and countries. In this list, Nigeria is one of them. According to Macer and Wilson (2017), WTO has always been supportive of MNCs to build its operation in Nigeria for trade. But, Bartlett and Ghoshal, (2017) argued that the recent situations in Nigeria have affected MNCs and the role WTO plays in the integration of indigenous and international businesses. However, Edwards and Rees (2017) added that MNCs fulfilling WTO agreements and commitments could be supported by WTO and other financial institutions. Supporting the statement, Key and Czaplewski (2017) further explained that WTO needs MNCs to increase their trading opportunities while maintaining technical standards. Least-developed countries like Nigeria will receive special treatment while getting supports form MNCs for domestic firms as well.

### **2.5.4 Administering Trade Agreements**

The financial institution and supportive multilateral organizations will focus on agreement and supports of the World Trade Organisation while engaging MNCs in developing countries. Hence the government giving certain subsidies for these sectors, Akanmu, Brimah, and Gbadeyan (2018). But, on the contrary, Li and Cao (2018) responded that the negotiations could be higher if the integration of indigenous and international businesses occurs with fewer supports of the World Trade Organisation. World Trade Organisation is not an aid agency, but it delivers information on trade-related development aid. Akanmu *et al.* (2018) stated that in the case of Nigeria and other developing countries, the role of the World Trade Organisation is vital for managing the merger of international business. Joseph *et al.* (2019) argued that the World Trade Organisation only allows better communication between domestic firms and international businesses. The government has the power to handle the integration of indigenous and international businesses while getting information from the World Trade Organisation.

## **2.6 Attitude of the government on the integration of indigenous and international businesses.**

The government of a country may have reservations about integrating international and indigenous businesses in Nigeria even with the potential benefits it will bring to the economy

and the country at large (Campbell and Strikwerda, 2013). Banal-Estañol and Seldeslachts (2011) stated that most of the MNCs businesses do not care about the different political and legal systems which increase government concerns and anger towards the integration. On the other hand, Campbell and Strikwerda (2013) argued that globalization has encouraged the government to support MNCs and business integration. Thus, the government has been developing infrastructure to influence the integration of MNCs with domestic businesses. Abubakar Sadiq (2014) stated that as a result, international businesses may have supports and opportunities for domestic firms while the financial institutions in the host country support the integration of the industries.

Furusawa *et al.* (2016) discussed that different political systems in the countries have different impacts on the integration of indigenous and international businesses. while Yusuf *et al.* (2016) argued that a complete set of rules and regulations could support the attitudes of the government to MNCs. This can result in the government acting negatively to MNCs. Fitzgerald and Rowley (2016) stated in some of the countries, and the government regulates the industries and controls everything. Bartlett and Ghoshal, (2017), on the contrary, mentioned that different political systems could influence the attitude towards the integration of indigenous and international businesses. The government may have a positive or negative attitude to MNCs based on their performance. However, Key and Czaplewski (2017) stated that most of the new industries and MNCs would prefer to operate in democratic countries where politics influences the government's supports and attitude.

Nigeria has been working for the integration of international businesses with domestic firms and Edwards and Rees (2017) stated that the country's political system has impacted the economy, firm, and industry in the country. The government would seek the support of MNCs in the host country to integrate more with local businesses to strike a balance to determine economic supports and to identify how local policies will affect their business. while Akanmu *et al.* (2018) consider the role of MNCs business in the economy of the host country. The economic system of the country has an impact on the government's attitude towards the integration of indigenous and international businesses more than other issues. However, Li and Cao (2018) argued that different legal systems in the country influence the government's attitude to MNCs integrating with domestic firms. Most countries have a combination of hybrid legal systems to encourage MNCs to integrate with indigenous businesses. Joseph *et al.* (2019) responded; differently, that government's attitude towards MNCs and the merger of organizations is highly related to religion and social issues. The company with different

cultures and perceptions would affect the culture of the host country (Edwards and Rees, 2017). However, in Nigeria, the issues of religion and social issues have not affected the government's attitude toward business integration.

## **2.7 Role of the MNCs in the integration of international and indigenous business**

According to previous studies MNCs are reported to have played critical roles in the integration of international and indigenous business, which are summarized and addressed in the coming sections:

### **2.7.1 Investment in Host Countries**

MNCs in developing countries play a vital role in establishing their business in new markets. According to Banal-Estañol and Seldeslachts (2011), for establishing the business and developing their business growth, most of the MNCs support the integration of indigenous and international businesses. Campbell and Strikwerda (2013) argued that business growth or the establishment of business cannot be the main reason for integration. MNCs need help and supports from indigenous businesses and without integration, the supports cannot be gained by MNCs. Thus, they prefer integration in the first place. But, Lai *et al.*, (2014), stated that MNCs tend to value resource optimization worldwide. With the help of MNCs, integration may bring benefits for employment and overall economic efficiency. However, Park and Town (2014) responded differently stating that resource optimization is the most efficient outcome for the integration. But, MNC's role in integrating international and indigenous businesses depends on their resource and capabilities to maintain collaboration in these markets.

### **2.7.2 Incorporation with Local Organizations**

According to Furusawa *et al.* (2016), multinational corporations (MNCs) have a higher impact on foreign investments. Large firms are incorporated in one country and operate in diversified business activities. But, Macer and Wilson (2017) argued that MNCs have an impact on production and distribution activities more than foreign direct investment in the country. In developing countries, the MNCs only care for profitability and supports for the business and growth. while on the other hand, Edwards and Rees (2017), discussed that the MNCs had brought opportunities for the domestic firms as they sell products of MNCs. However, Bartlett and Ghoshal (2017) argued that the options for subsidiaries had been developed under MNCs and the integration of indigenous and international businesses.

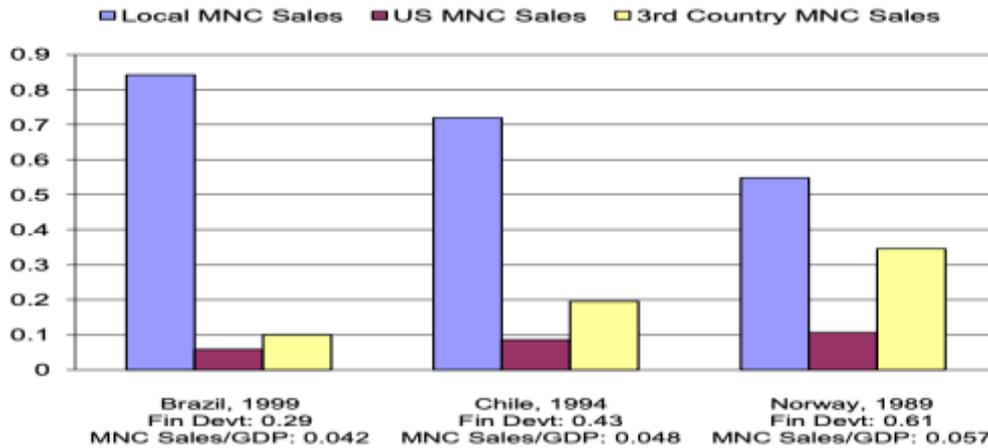


Figure 2. 4: Local Growth of MNCs

Source: (Edwards and Rees, 2017)

Furusawa *et al.*, (2016) stated the multinational firm brings a lot of opportunities for employment through their business operation in the host country. Edwards and Rees (2017) stated that the country with MNCs focusing on the integration of indigenous and international business would have a higher investment in their production and operation. But, Key and Czaplewski (2017) argued that some MNCs tend to gather the resources and profit for their own country, rather than investing in the host country. According to Akanmu *et al.* (2018), MNCs have always engaged with local organizations to develop the economy of the country. However, MNCs with international businesses can benefit more from the host country giving very little back. Joseph *et al.* (2019) responded that MNCs in the country could bring scope for innovation and growth for indigenous businesses which benefits the country economically and socially.

### 2.7.3 Creation of Employment Opportunities

The arguments may start with the role and impacts of MNCs in the integration of international and indigenous businesses in developing countries like Nigeria. Macer and Wilson (2017) stated, most times, MNCs deliver higher employment opportunities through their businesses and supports for related sectors. Bartlett and Ghoshal (2017) argue that political and economic power of the country should be higher to influence MNCs working for the host country as well. Edwards and Rees (2017) argued that in the host country, MNCs are less concerned with the benefit for the people and are more interested in grabbing all the markets for themselves. Chou *et al.* (2017), added that for both the home and the host country, MNCs start with scopes for

more innovation, employment, and product development will be supported by other businesses in the markets.

However, some studies have shown that MNCs would connect indigenous businesses for their purposes as they want to get the market, customers, labor, and profit for themselves Key and Czaplewski (2017). But, Akanmu *et al.* (2018) argued that for developed countries, the capitalist will be encouraged to put their capital into the business of the developing countries. This can be positive for both the home and host countries of MNCs. According to Nunan and Di Domenico (2018), the integration of businesses under MNCs would benefit mostly the developed countries more than the host country. However, Li and Cao (2018) also opined that MNCs cannot ignore the role of playing towards indigenous businesses while working with them. For developing countries, MNCs would have low labor costs and will promote employment as well. Joseph *et al.* (2019), on the contrary, stated that MNCs have to focus on the integration of international and indigenous businesses for developing business growth and profit for the company and the country.

## **2.8 Research Conceptual Framework**

The systematic literature review has been adopted in this investigation to identify the role and importance of MNCs in the host country's integration of indigenous and international business. A conceptual research framework has been developed and presented in the below figure.

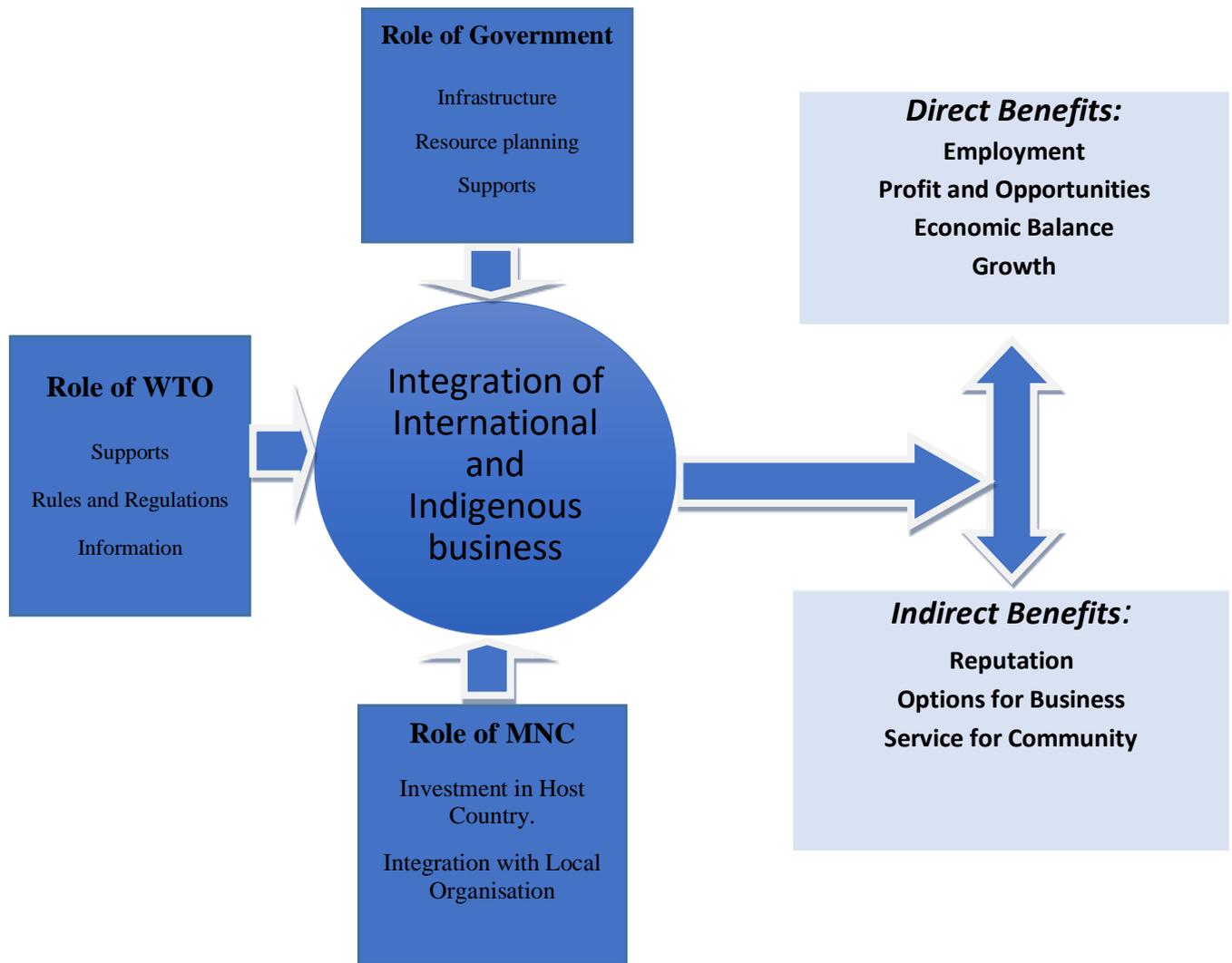


Figure 2.5: Research Conceptual Framework

Source: Own

This framework offers the reader a full picture of all the issues addressed in this study. It also serves as a guide for the data collection and data analysis of this study. According to the framework, MNCs outside the home country has a strong desire of seeking profit and opportunities. Most of the developing countries, including Nigeria, have been dealing with the integration of businesses with MNCs. For the integration of indigenous and international businesses, the attitude of the government, the world trade organization, and community supports are necessary. The integration of indigenous and international businesses will come up with benefits and facilities for the community, government, economic, and business sectors. Business growth in different industries will bring employment opportunities and enhance the

standard of living of the people. The MNCs in the host country can bring different facilities that directly and indirectly affect society and communities.

## **2.9 Research Hypothesis**

The following hypothesis is formulated and tested for this study to achieve the objectives set.

### **Hypothesis -1**

H1<sub>0</sub>: The selected MNC (GSK) has no significant role, nor a significant effect on the integration of international and indigenous businesses in Nigeria.

H1<sub>1</sub>: The selected MNC (GSK) has a significant role and a significant effect on the integration of international and indigenous businesses in Nigeria.

### **Hypothesis -2**

H2<sub>0</sub>: The WTO has no significant role, nor a significant effect on the integration of international and indigenous businesses in Nigeria.

H2<sub>1</sub>: WTO has a significant role and a significant effect on the integration of international and indigenous businesses in Nigeria.

### **Hypothesis -3**

H3<sub>0</sub>: The government attitude has no significant role nor effect on the integration of international and indigenous businesses in Nigeria.

H3<sub>1</sub>: The government attitude has a significant role and a significant effect on the integration of international and indigenous businesses in Nigeria.

## **2.10 Conclusion**

Numerous studies have been conducted on MNCs and their impacts on the growth and expansion of the local organization. Also, merger and acquisition strategies have been discussed in several studies in different countries. But, in Nigeria, the role of MNCs, integrating with indigenous businesses, as well as its impacts on the business sectors have not been discussed before. This literature review has explained the impacts of multinational corporation's integration with indigenous businesses in the domestic market in Nigeria.

Organization in the local market gets options from MNCs with more product, operational techniques, and supports with funds. In this order, the integration of indigenous and international businesses can be supported by the domestic firm and the government. This

literature review has fully discussed the role of MNCs and the integration of business in developing countries considering the merit and demerits of integration.

## CHAPTER THREE

### METHODOLOGY

#### 3.1 Introduction

Considering the objective and aim of this research, this study has chosen to work with primary research to investigate the role of the MNCs in the host country's integration of international and indigenous businesses, in the context of GlaxoSmithKline (GSK) in Nigeria. The whole process for establishing the research aim demands control and understanding of the research study (Mc Cambridge *et al.*, 2014). Clearly, for research methodology, the research onion, as presented in the figure below has been adopted to form the systematic framework and plan in the study.

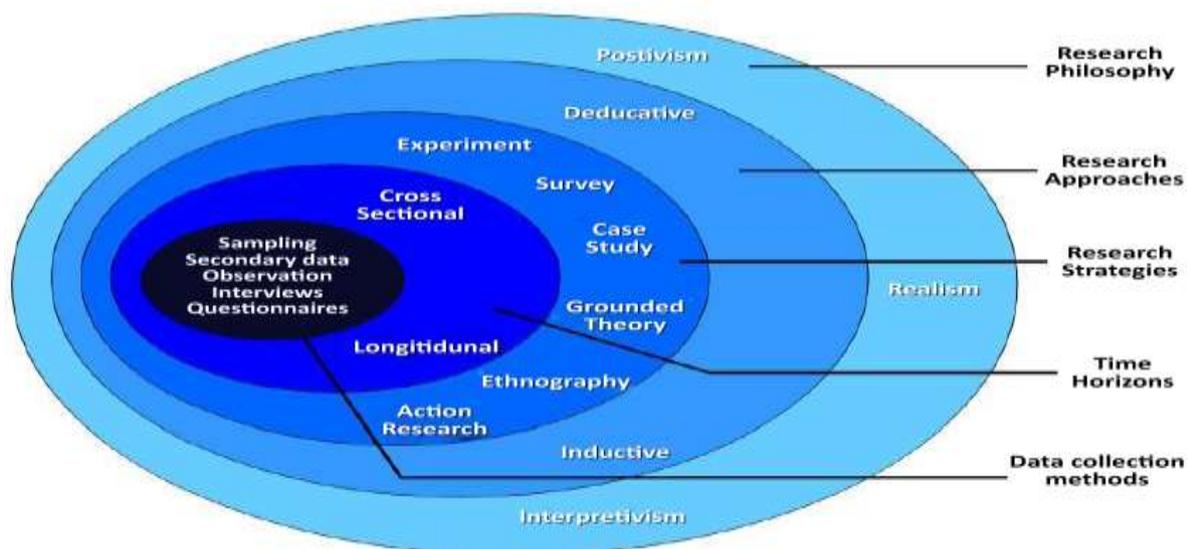


Figure 3. 1: Research onion

Source: (Malette and Saldaña, 2018)

The research onion has set the pace for each research tool regarding research philosophies, approaches, strategies, and research design, and data collection for completing research work. This research study has fully followed the framework to analyze the expected outcome of the findings.

#### 3.2 Research Philosophy

According to Saunders *et al.*, (2016), research philosophy has to do with belief systems and assumptions made about knowledge development because through every research new

knowledge is developed. In this study, primary and quantitative data has been embraced to control the outcome. Hence, the research philosophy needs to be suitable for enabling the research study for suggestions, appropriate assumptions, and research strategies.

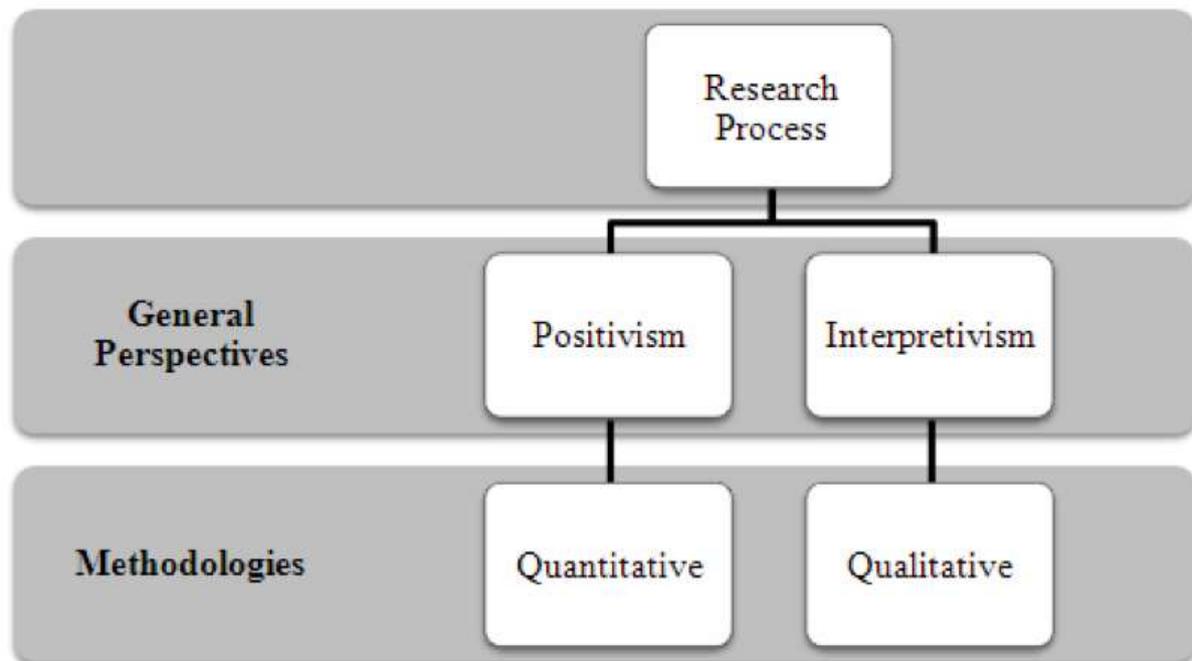


Figure 3. 2: Research Philosophies

**Source: (Saunders *et al.*, 2016)**

Positivism research philosophy refers to what is given which is focused on scientific empirical design to give data and facts that are not influenced by human interpretation. The justification and observation of the research study are used for the study and these are limited for the data collection and interpretation (Sekaran and Bougie, 2016). As this study has focused on the role of multinational companies on the integration of indigenous with international businesses, primary data will be used through a well-structured questionnaire to gather information for the study.. On the contrary, realism has not been selected as this contributes to discussion of the reality (Agulló and Cerezo Herrero, 2019). The assumption made by the research will be the main element of realism that could not work in this study. Thus, only positivism research philosophy has been selected for this project.

### 3.4 Research Design

The process of collecting and analysing data is known as the research design. It also covers the configuration of the research question about what kind of evidence is gathered and from where, and how this evidence is interpreted to provide answers to the research question. (Saunders *et*

*al.*, 2016). This study has completely looked for data from core sources. Thus, the research study has explored the overall plan for considering the data collection method and answering the research questions. The survey design method is adopted in this study. According to Miles *et al.* (2014), quantitative research design implies that the procedure for engaging and understanding the numerical value where the research study discusses and examines variables and their relation. The quantitative research design values quantitative research to populate statistics from a sample. Mostly, high-volume sample size is used for this design to gain statistically valid data and results through a survey. In this study exploring the role of MNC, the quantitative research design has been adopted to suggest quantitative data for statistical analysis.

### **3.5 Research Strategy**

For the proposed research, a clear research strategy is required for the study. Research Strategy implies the pre-planned step-by-step procedure for conducting the research (McCambridge *et al.*, 2014). The research strategy enables the research study to use the thoughts and efforts for conducting the project systematically towards the expected outcome. In this study, considering research data and intended outcomes, the collection of data was done through a well-structured questionnaire. This is administered to three different sets of respondents that includes workers from GlaxoSmithKline, those who work with the World Trade Organization, and Civil servants in Nigeria. A similarly small number of cases can help the study to collect the information through observations or experience. The primary data was collected from a focus group. But the expenses may be higher, and the research may get biased answers from the focus group. Thus, a focus group strategy has not been selected. At the same time, the desk research strategy is only reliable for secondary research with qualitative data (Cohen *et al.*, 2017). This is not possible in this study and thus, only a survey research strategy has been selected in this event. The questionnaire method has been followed to include the employees and management of GSK, WTO workers, and some government workers.

### **3.6 Data collection method**

#### **3.6.1 Sources of Data**

To collect data and necessary information, the selection of sources of the data is vital to the study. From the two types of sources of data, primary sources have been selected for its reliability and effectiveness for achieving the research objectives more than secondary sources. In this study, the primary source was adopted from the views of the respondents from

GlaxoSmithKline (GSK) in Nigeria, WTO staff, and civil servants in Nigeria. Also, to collect data from primary sources, the questionnaire method has been selected.

### **3.6.2 Primary and Secondary Research/Quantitative Data**

From the beginning, this study has looked for quantitative and primary data. The primary research may support both qualitative and quantitative data for the study. Most of the time, the research study does not use detailed data from a secondary source (Shezawi and Khan, 2018). On the other hand, the research study will not collect numerical value from a secondary source. Thus, in this investigation, quantitative data has been collected under primary research. The benefit of primary research is that the research study has more control to collect the data and to nurture the response (Cohen *et al.*, 2017). Also, this method is a tested and proven method of effective data collection with reliability. Thus, primary research has been chosen over secondary research.

### **3.6.3 Data Collection Methods**

Collecting data with the help of a tool allows the research study to store and interpret needed information from the existing source thereby reducing errors (Brown and Hale, 2016). In this study, primary data collection method has been selected. Both primary source and primary data have been chosen and primary data collection method has been adopted as well. Based on primary data collection method, the research study has communicated with respondents about the survey. Their consent has been taken through email and phone and data have been fixed for the data collection. For the development of the raw and reliable data, the primary data collection with the questionnaire method has helped the research study to collect information and research data from the selected sample.

### **3.7 Sampling Method**

For the quantitative research study, sampling is the method that allows the study to select a subset of individuals from the population. The sampling method is estimated based on the characteristics of the whole population (Saunders *et al.*, 2016). To conduct a survey, the research study needs to select a sample that produces a reliable amount of data. From different sampling methods, a purposive sampling method has been selected in this investigation. Purposive sampling is considered as judgment sampling that determines the technique to allow the study for using own judgment while accessing the respondents or choosing members of the population (Sekaran and Bougie, 2016). The accessibility towards the sources of data encourages the researcher to use a purposive sampling method. The main goal of purposive

sampling used in this investigation was to ensure the particular characteristics of a population. For the investigation, a total of 113 respondents were used. This comprised of staff from GlaxoSmithKline, government, and multinational companies. The breakdown of the respondents is shown below. The total number of respondents was selected using purposive sampling and based on the current situation of the country, limited respondents were reached through the google form questionnaire filled.

Table 3.1: Breakdown of the respondents

	Frequency	Percentage
GlaxoSmithKline Staff	48	42.5
WTO Staff	22	19.5
Government Workers	43	38
Total	113	100

Source: Author, 2020.

### 3.7.1. Survey Instrument Reliability and Validity

In other to evaluate the reliability, validity, and suitability of the questionnaire identifying issues, and misinterpretation that may compromise the reliability of the data obtained and how accurately the questions are related to the research area. A pilot test was conducted on a sample of the employee. Ten samples of the questionnaire were sent to ten voluntary subjects with knowledge of the proposed research. Participants were chosen from the lower and middle management positions. To give their opinion on the content of the questionnaire the volunteer helped highlight questions that were not easily understood the test was also used to estimate the time required to fill out the questionnaire and to restructure the questions according to the critics ( Zefeiti and Mohamad, 2015).

### 3.8 Data Analysis Tools

Data Analysis represents the process of applying tools and techniques with logical sequence and system to interpret the information and data (McCambridge *et al.*, 2014). This is an essential component for measuring the effectiveness and ensuring data integrity in the study which shows the appropriate analysis of research findings for the investigation. From two prominent methods, quantitative data analysis tool has been selected. Statistical Package for

Social Sciences (SPSS) will be adopted. The statistical tool adopted in the analysis of data comprises of the following: descriptive analysis through the usage of frequency and percentage tables. Besides, simple linear and analysis of variance and the Pearson Moment correlation techniques are used.

### **3.9 Ethical Consideration**

This research study strictly prohibits bias or self-deception, negligence of ethical issues has been prevented. Agreements have been accomplished with the right usages of the information and research tools. The research study and survey have been developed in a way where privacy and confidentiality are ensured. The respondent's consent was essential to the survey and confidential communications, information of respondents, and personnel records have been guarded. The professional competence has been delivered as much as possible to follow the practice and rules for managing privacy, and confidentiality. Data protection act has been followed while conducting the research. The manipulation for data or respondents or interpretation has been strictly controlled for ensuring an honest outcome of the study. The information of respondents and communication during the survey will not be shared with others.

### **3.10 Limitation of Research**

The research work is limited by the present pandemic which makes it difficult to get information easily from the respondent. Also, the time frame was short to be able to carry out extensive research. Furthermore, financial constraints in the course of retrieving the data also limited this study.

### **3.11 Conclusion**

The investigation of the role of the MNCs in the host country's integration of international and indigenous business, in the context of GlaxoSmithKline (GSK) in Nigeria, has followed research onion for research methods. To conduct the research, a positivism research philosophy has been selected for this project. For fulfilling the process for existing data and journal, the deductive research approach has been adopted. The quantitative research design has been adopted engaging and understanding the numerical value to adopt survey research strategy. In this investigation, the quantitative data have been collected under primary research and primary data collection method. 113 respondents have been selected from GSK under purposive sampling and survey questionnaire method. To analyse the data, SPSS has been used with bar-chart figures, and tables in the study.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND RESULTS**

#### **4.1 Introduction**

This chapter deals with the presentation of the results obtained from the response of the respondents based on the questionnaire administered. The segment dealt with the demographic characteristics of the participants as well as their views on the questions related to the integration of indigenous and international business. The test of the hypothesis is also contained in this chapter. The outcome of the result will be used for the discussion of findings as well as the conclusion and recommendations of the study.

#### **4.2 Presentation of Results**

##### **4.2.1 Response Rate**

A total of 140 questionnaires were distributed to the respondent of which 113 of the respondents returned their response while 27 of the respondents failed to return theirs. The response rate represents about 80.7 percent of the population selected and shows that a higher percentage of the respondent view was captured. This implies that the response rate of the respondents is of a better rate. The result of the response rate of the respondents is presented in table 4.1 below

Table 4.1: Frequency and percentage of response rate.

Questionnaire	Frequency	Percentage
Completed and returned	113	80.7

Non-response	27	19.3
<b>Total</b>	<b>140</b>	<b>100</b>

Source: Computed by Author' 2020.

#### 4.2.2 Demographic Characteristics of Respondents

The biodata of the respondents in terms of their demographic features are presented in this section.

Table 4.2: Frequency and percentage of the sex of the respondents

Characteristics	Frequency	Percentage (%)
Male	87	77.0
Female	26	23.0
<b>Total</b>	<b>113</b>	<b>100.0</b>

Source: Survey, 2020.

In the table above of the demographic characteristics of respondents based on their gender, it shows that 87 male respondents comprising 77.0% of the 113 respondents and 26 females comprising 23.0% undertook the study. The result indicates that there were more male respondents than female that participated in filling the questionnaire.

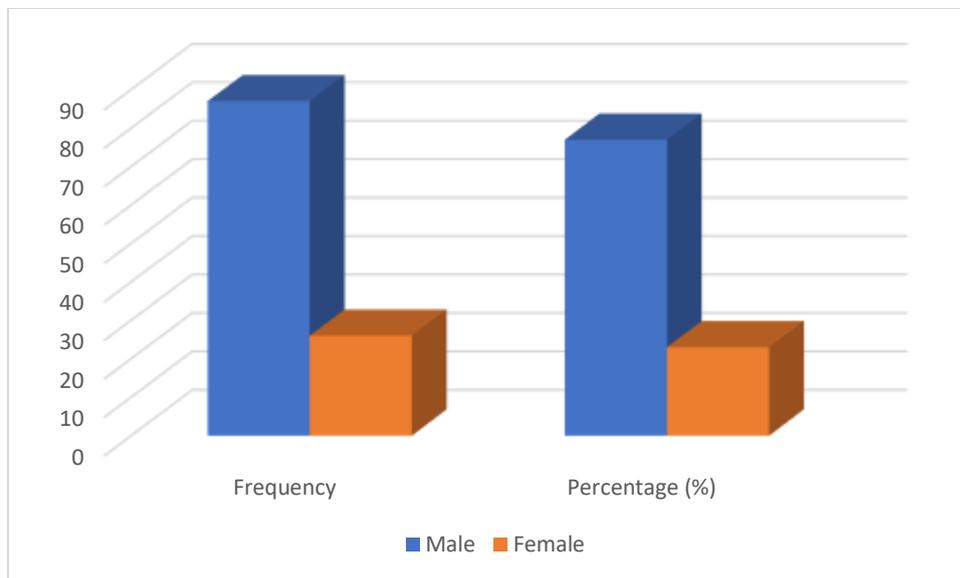


Figure 4.1: Bar-charts of Sex of the respondent's

Source: Survey via Microsoft Excel, 2020.

Table 4.3: Frequency and percentage on the age of the respondent.

Characteristics	Frequency	Percentage (%)
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20 – 30 years	6	5.3
31 – 40 years	40	35.4
41 –50 years	55	48.7
50 years and above	12	10.6
<b>Total</b>	<b>113</b>	<b>100.0</b>

**Source: Survey, 2020.**

Table 4.3 presents the demographic description of the respondents based on their age range. 6 respondents are within the age of 20-30 years representing 5.3% of the total population, 40 respondents are within the age of 31-40 years which represents 35.4%, 55 respondents are within the age of 41-50 which also represents 48.7%. While 12 respondents are within the age of 50 years and above making up the remaining 10.6% of the study

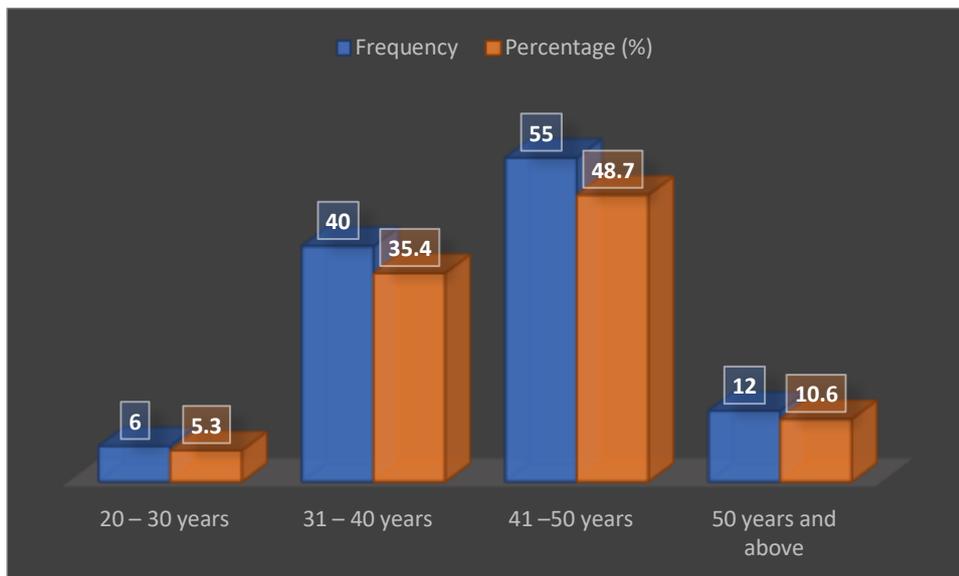


Figure 4.2: Bar-charts on the age of the respondents.

**Source: Survey via Microsoft Excel, 2020.**

Table 4.4: Frequency and percentage on the marital status of respondents.

Characteristics	Frequency	Percentage (%)
Married	84	74.3
Single	15	13.3
Widowed	10	8.8
Separated	4	3.5
<b>Total</b>	<b>113</b>	<b>100.0</b>

**Source: Survey, 2020.**

Table 4.4 above shows the marital status distribution of the respondents. Here, 84 respondents are said to be married making 74.3% of the total population, 15 respondents are single making up 13.3%, 10 respondents are widowed making up 8.8%, while 4 respondents are separated making up the remaining 3.5% of the study population.

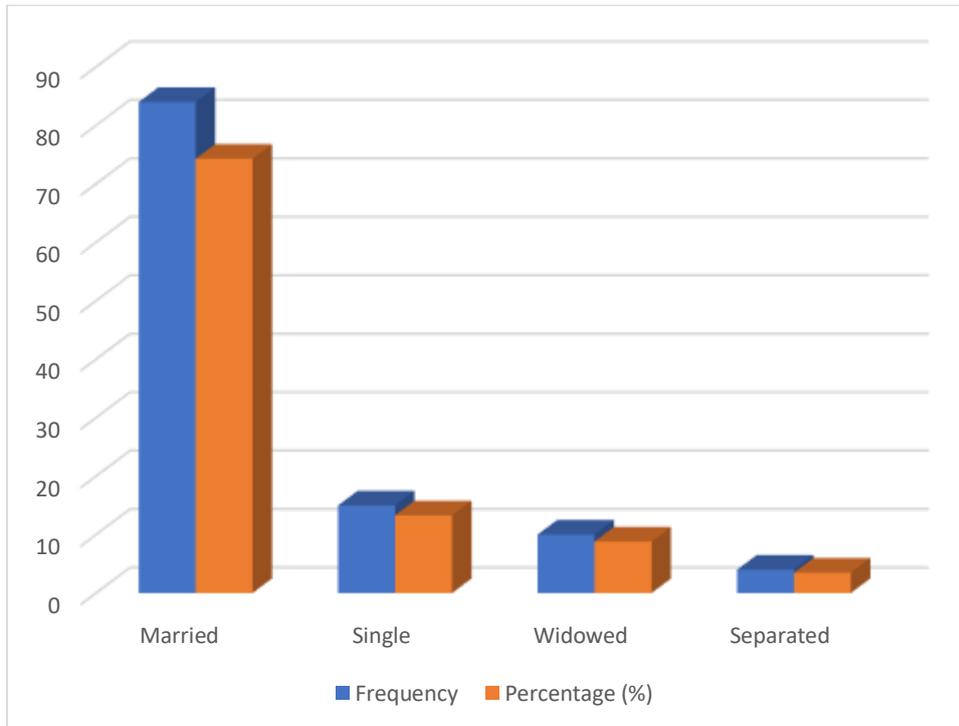


Figure 4.3: Bar-chart of the marital status of the respondents

**Source: Survey via Microsoft Excel, 2020.**

Table 4.5: Frequency and percentage on the religion of respondent

Characteristics	Frequency	Percentage (%)
Christianity	60	53.1
Islam	40	35.4
Others	13	11.5
<b>Total</b>	<b>113</b>	<b>100.0</b>

**Source: Survey, 2020.**

Table 4.5 above shows the religious distribution of the respondents. It was observed that 60 respondents are grouped into Christianity making 53.1%, 40 respondents are grouped into Islam making up 35.4% while 13 respondents are grouped into others making up the remaining 11.5% of the study population. The descriptive statistics in terms of frequency and percentages are presented on the Bar chart below

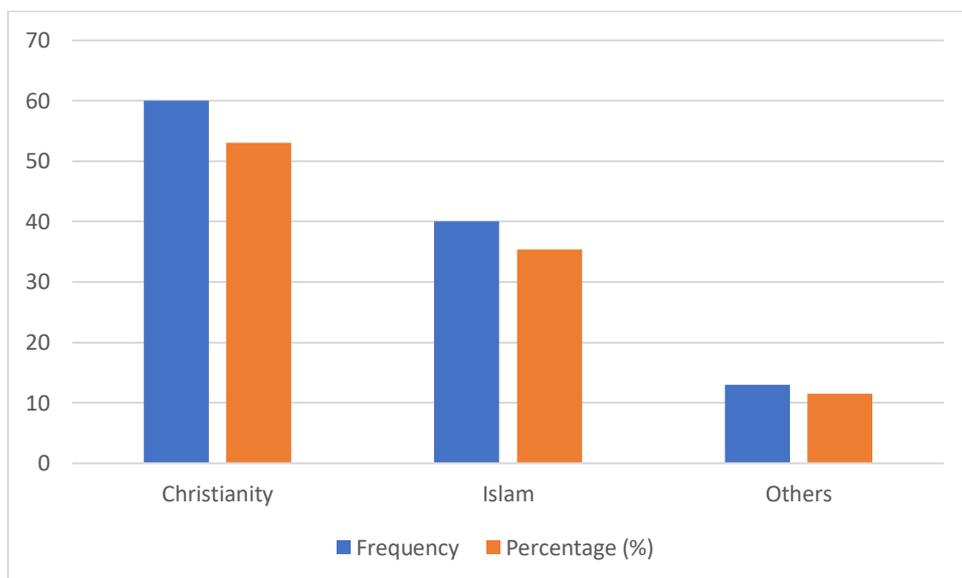


Figure 4.4: Bar-chart of the religion of the respondents

**Source: Survey via Microsoft Excel, 2020.**

Table 4.6: Frequency and percentage of educational qualification

Characteristics	Frequency	Percentage (%)
Postgraduate	8	7.1
Professional	45	39.8
B. Sc/HND	23	20.4
OND/NCE	29	25.7
Others	8	7.1
<b>Total</b>	<b>113</b>	<b>100.0</b>

**Source: Survey, 2020.**

Table 4.6 above shows the educational qualification distribution of the respondents. the response of the respondents based on their educational qualification shows that 8 respondents making 7.1% have postgraduate certification while 45 respondents making 39.8% possess a professional certificate, 23 respondents making 20.4% have B. Sc/HND, 29 respondents

making 25.7% have OND/NCE, and 8 respondents making up the remainder 7.1% falls into the category of others in the academic qualification section.

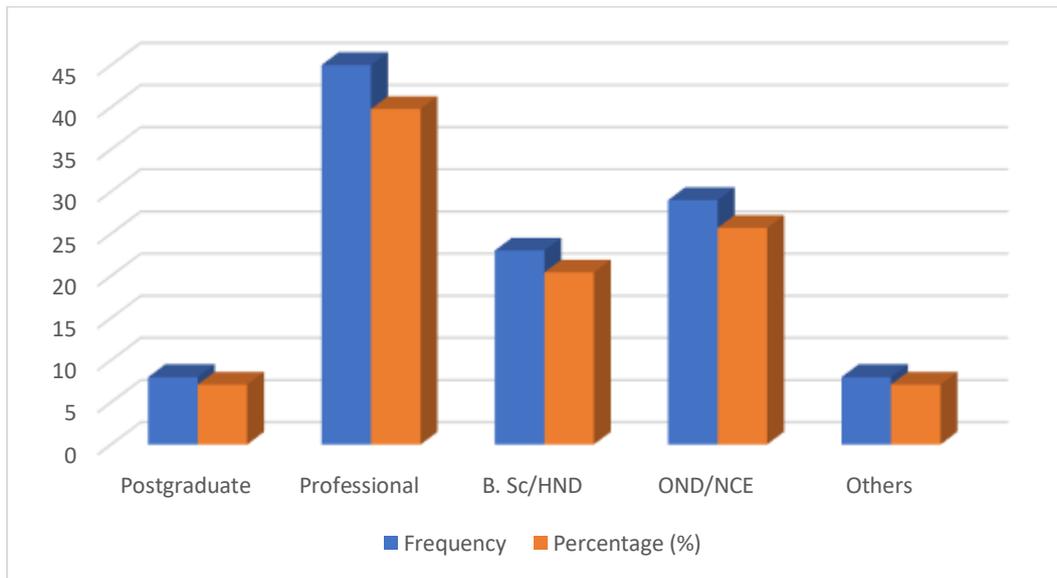


Figure 4.5: Bar-chart of educational qualification

**Source: Survey via Microsoft Excel, 2020.**

Table 4.7: Frequency and percentage on the cadre

Characteristics	Frequency	Percentage (%)
Senior staff	9	8.0
Junior staff	60	53.1
Others	44	38.9
<b>Total</b>	<b>113</b>	<b>100.0</b>

**Source: Survey, 2020.**

Table 4.7 above shows the cadre distribution of the respondents. Here, 9 respondents are within the groupings of senior staff making 8.0% of the total population, 60 respondents are within the grouping of junior staff making up 53.1% while 44 respondents are within the grouping of others making up the remaining 38.9%.

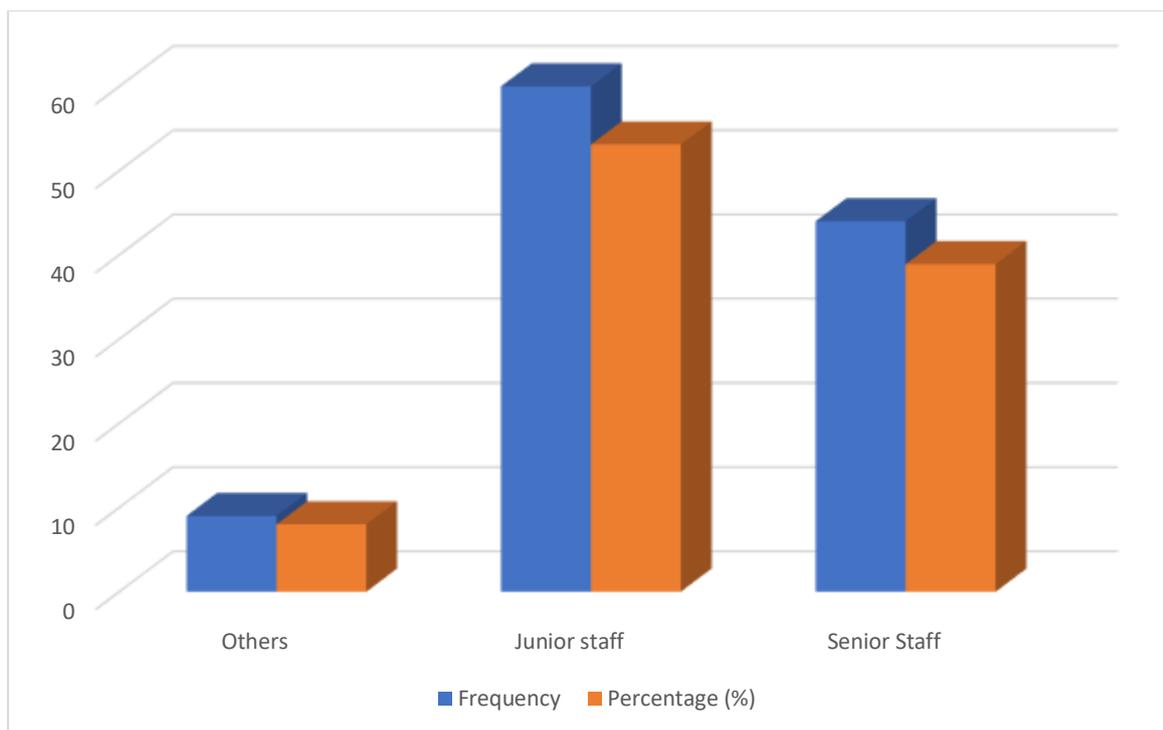


Figure 4.6: Bar-chart of cadre

Source: Survey via Microsoft Excel, 2020.

#### 4.2.3 Socioeconomic Benefit of Integration of Business

This section deals with the data analysis relating to the socio-economic benefits of the integration of business in Nigeria.

Table 4.8: Frequency and percentage of creating employment opportunities.

Options/Responses	Frequency	Percentage (%)
Strongly disagree	4	3.5
Disagree	3	2.7
Undecided	14	12.4
Agree	30	26.5
Strongly agree	62	54.9
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.8 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 62 (54.9%) strongly agreed and 30 (26.5%) agreed that the integration of business in Nigeria has created employment opportunities for local employers; 14 (12.4%) out of the respondents were undecided, while 3 (2.7%) disagreed and 4 (3.5%) strongly disagreed with the statement that the integration of business in Nigeria has created employment

opportunities for local employers. Hence, we conclude that majority of the respondents report that the integration of business in Nigeria has created employment opportunities for local employers.

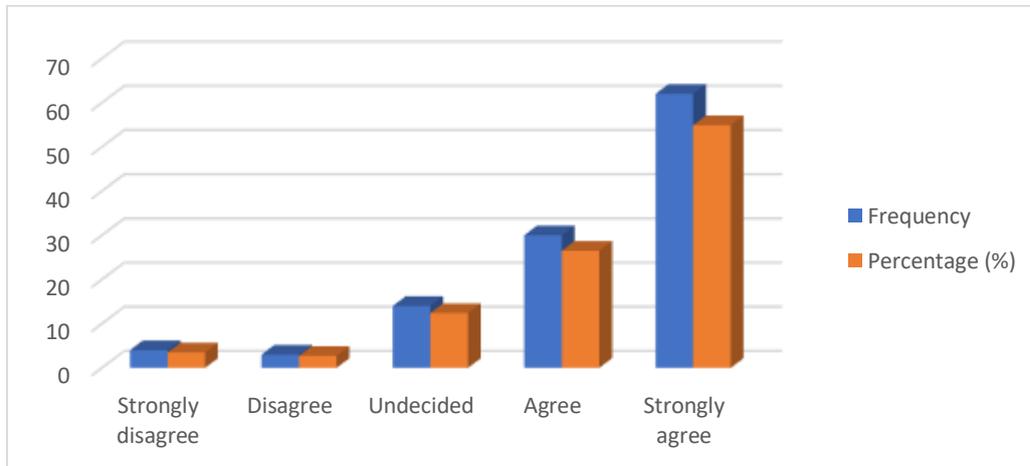


Figure 4. 7: Bar-chart of responses on creating employment opportunities.  
**Source: Survey via Microsoft Excel, 2020.**

Table 4.9: Frequency and percentage of responses to multinational corporations.

Options/Responses	Frequency	Percentage (%)
Strongly disagree	6	5.3
Disagree	3	2.7
Undecided	8	7.1
Agree	22	19.5
Strongly agree	74	65.5
<b>Total</b>	<b>113</b>	<b>100</b>

**Source: Survey, 2020.**

Table-4.9 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 74 (65.5%) strongly agreed and 22 (19.5%) agreed that the integration of multinational corporations helps in improving the standard of living in Nigeria; 8 (7.1%) out of the respondents were undecided, while 3 (2.7%) disagreed and 6 (5.3%) strongly disagreed with the statement that the integration of multinational corporations helps in improving the standard of living in Nigeria. Hence, we conclude that majority of the respondents view that the integration of multinational corporations helps in improving the standard of living in Nigeria.

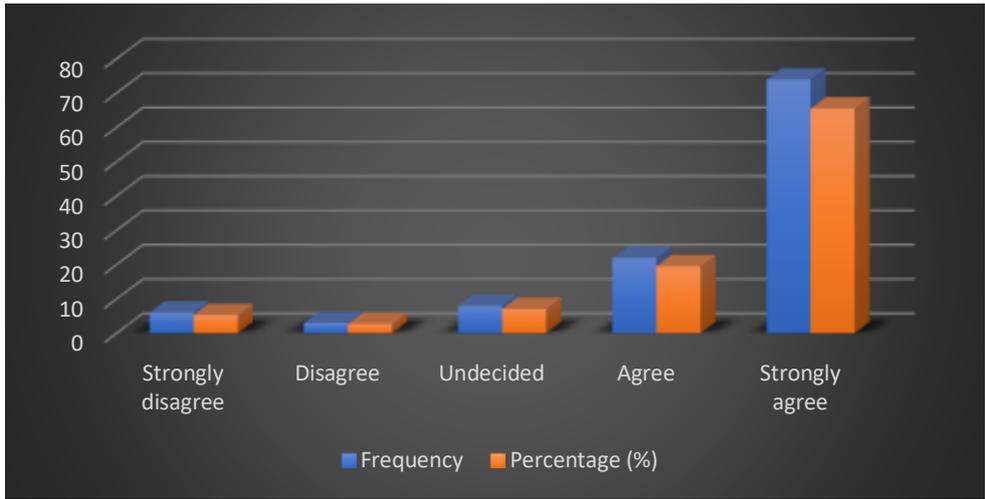


Figure 4.8: Bar-chart of multinational corporation

Source: Survey via Microsoft Excel, 2020.

Table 4. 10: Frequency and percentage of productivity among local business owners in Nigeria.

Options/Responses	Frequency	Percentage (%)
Strongly disagree	4	3.5
Disagree	2	1.8
Undecided	11	9.7
Agree	23	20.4
Strongly agree	73	64.6
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.10 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 73 (64.6%) strongly agreed and 23 (20.4%) agreed that the integration of business in Nigeria has improved productivity among local business owners in Nigeria; 11 (9.7%) out of the respondents were undecided, while 2 (1.8%) disagreed and 4 (3.5%) strongly disagreed with the statement that the integration of business in Nigeria has improved productivity among local business owners in Nigeria. Hence, we conclude that majority of the respondents hold the view that the integration of business in Nigeria has improved productivity among local business owners in Nigeria.

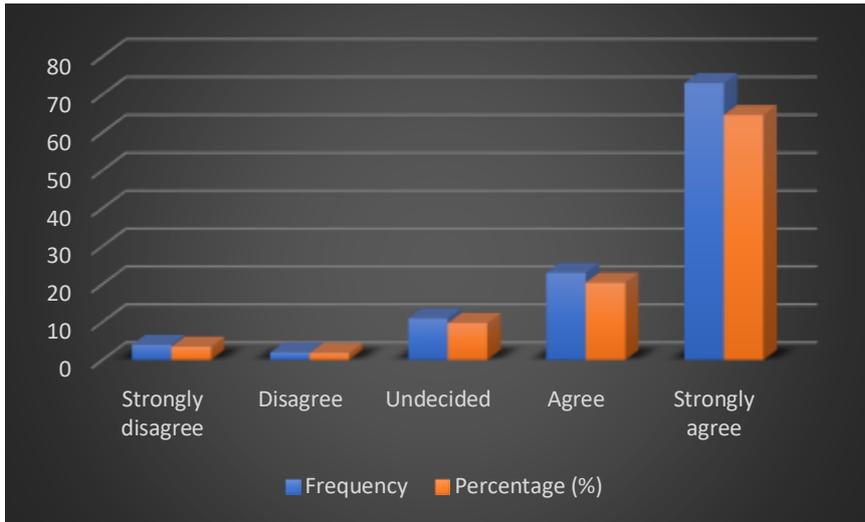


Figure 4.9: Bar-charts on productivity among local business owners in Nigeria

**Source: Survey via Microsoft Excel, 2020.**

Table 4.11: Frequency and percentage of business in Nigeria has helped in diverse innovations in the country

Options/Responses	Frequency	Percentage (%)
Strongly disagree	2	1.8
Disagree	12	10.6
Undecided	8	7.1
Agree	24	21.2
Strongly agree	67	59.3
<b>Total</b>	<b>113</b>	<b>100</b>

**Source: Survey, 2020.**

Table-4.11 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 67 (59.3%) strongly agreed and 24 (21.2%) agreed that the integration of business in Nigeria has helped in diverse innovations in the country; 8 (7.1%) out of the respondents were undecided, while 12 (10.6%) disagreed and 2 (1.8%) strongly disagreed with the statement that the integration of business in Nigeria has helped in diverse innovations in the country. Hence, we conclude that majority of the respondents hold the view the integration of business in Nigeria has helped in diverse innovations in the country.

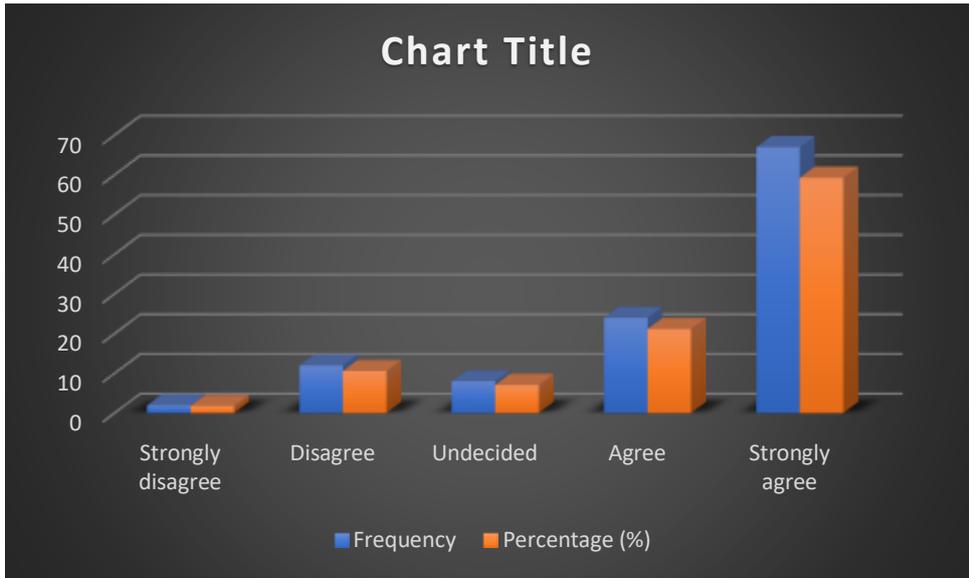


Figure 4.10 Bar-charts on innovations in the country

**Source: Survey via Microsoft Excel, 2020.**

Table 4. 12: Frequency and percentage on profitability in the country

Options/Responses	Frequency	Percentage (%)
Strongly disagree	4	3.5
Disagree	3	2.7
Undecided	9	8
Agree	22	19.5
Strongly agree	75	66.4
<b>Total</b>	<b>113</b>	<b>100</b>

**Source: Survey, 2020.**

Table-4.12 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 75 (66.4%) strongly agreed and 22 (19.5%) agreed that the integration of business in Nigeria has helped in profitability in the country; 9 (8.0%) out of the respondents were undecided, while 3 (2.7%) disagreed and 4 (3.5%) strongly disagreed with the statement that the integration of business in Nigeria has helped in profitability in the country. Hence, we conclude that majority of the respondents hold the view the integration of business in Nigeria has helped in profitability in the country.

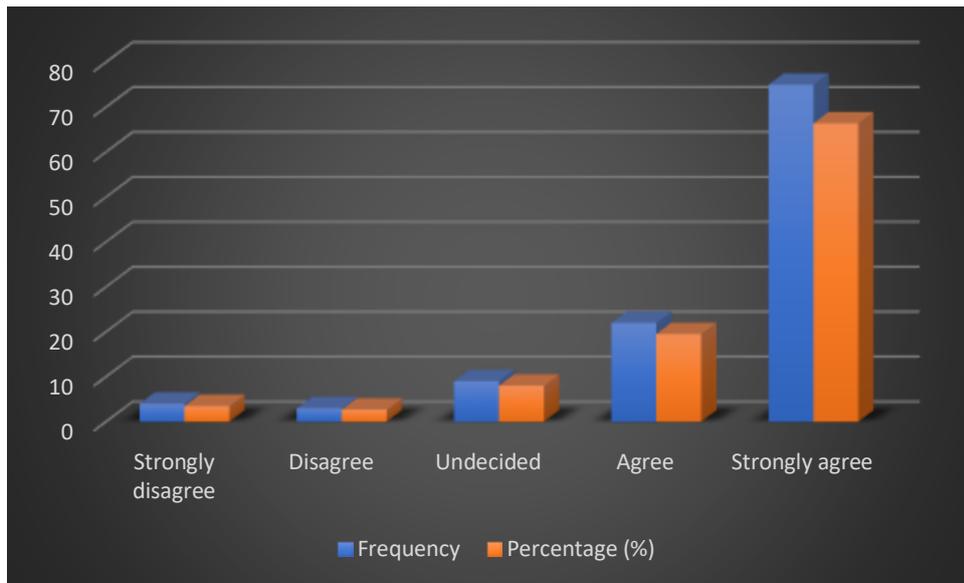


Figure 4.11: Bar-charts on profitability in the country.

Source: Survey via Microsoft Excel, 2020.

#### 4.2.4 Roles of World Trade Organization

This section presents the data analysis and the results generated on the survey questions relating to the roles of WTO on the integration of international and indigenous business in Nigeria

Table 4.13: Frequency and percentage of responses on WTO Reducing Trade Barriers in Nigeria.

Options/Responses	Frequency	Percentage (%)
Strongly disagree	6	5.3
Disagree	5	4.4
Undecided	7	6.2
Agree	21	18.6
Strongly agree	74	65.5
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.13 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 75 (66.4%) strongly agreed and 22 (19.5%) agreed that WTO and other multinational organizations help in reducing trade barriers in Nigeria; 9 (8.0%) out of the respondents were undecided, while 3 (2.7%) disagreed and 4 (3.5%) strongly disagreed with the statement that WTO and other multinational organizations help in reducing trade barriers

in Nigeria. Hence, we conclude that WTO and other multinational organizations were reported to help in reducing trade barriers in Nigeria.

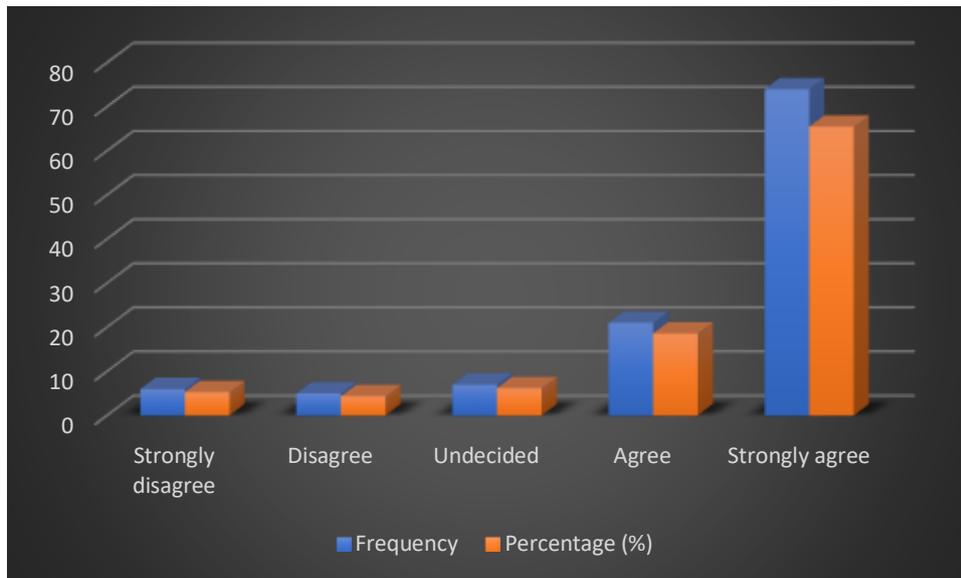


Figure 4.12: Bar-charts on WTO in reducing trade barriers in Nigeria

**Source: Survey via Microsoft Excel, 2020.**

Table 4.14 Frequency and percentage of responses of WTO in resolving trade disputes

Options/Responses	Frequency	Percentage (%)
Strongly disagree	8	7.1
Disagree	13	11.5
Undecided	19	16.8
Agree	20	17.7
Strongly agree	53	46.9
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.14 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 53 (46.9%) strongly agreed and 20 (17.7%) agreed that WTO and other multinational organizations provide an avenue for Nigeria in resolving trade disputes; 19 (16.8%) out of the respondents were undecided, while 13 (11.5%) disagreed and 8 (7.1%) strongly disagreed with the statement that WTO and other multinational organizations provide an avenue for Nigeria in resolving trade disputes. Hence, we conclude that WTO and other multinational organizations were generally reported to provide an avenue for Nigeria in resolving trade disputes.

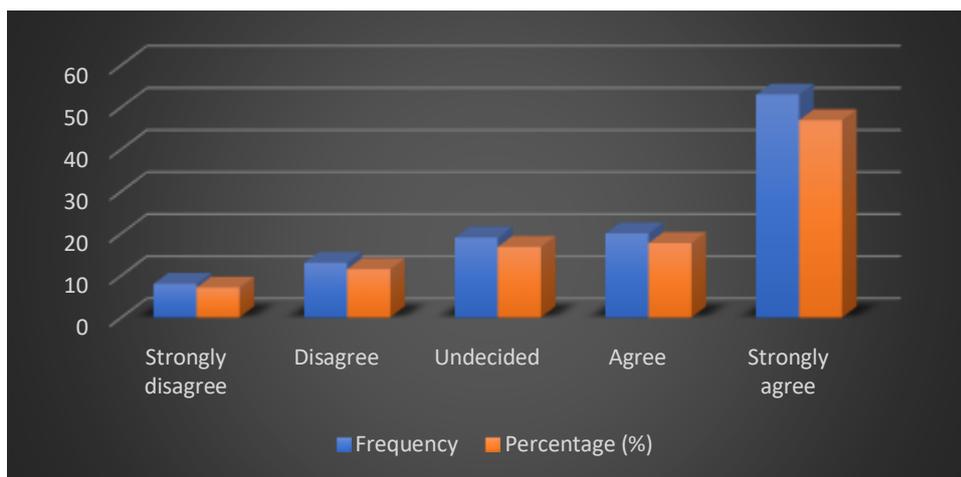


Figure 4.13: Bar-charts of WTO resolving trade dispute

**Source: Survey via Microsoft Excel, 2020.**

Table 4.15: Frequency and percentage of WTO that has helped to ease business among international and indigenous.

Options/Responses	Frequency	Percentage (%)
Strongly disagree	3	2.7
Disagree	4	3.5
Undecided	5	4.4
Agree	40	35.4
Strongly agree	61	54.0
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.15 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 53 (46.9%) strongly agreed and 20 (17.7%) agreed that WTO and other multinational organizations help in easing business among international and indigenous; 19 (16.8%) out of the respondents were undecided, while 13 (11.5%) disagreed and 8 (7.1%) strongly disagreed with the statement that WTO and other multinational organizations help in easing business among international and indigenous. Hence, we conclude that WTO and other multinational organizations were generally reported to help ease business among international and indigenous.

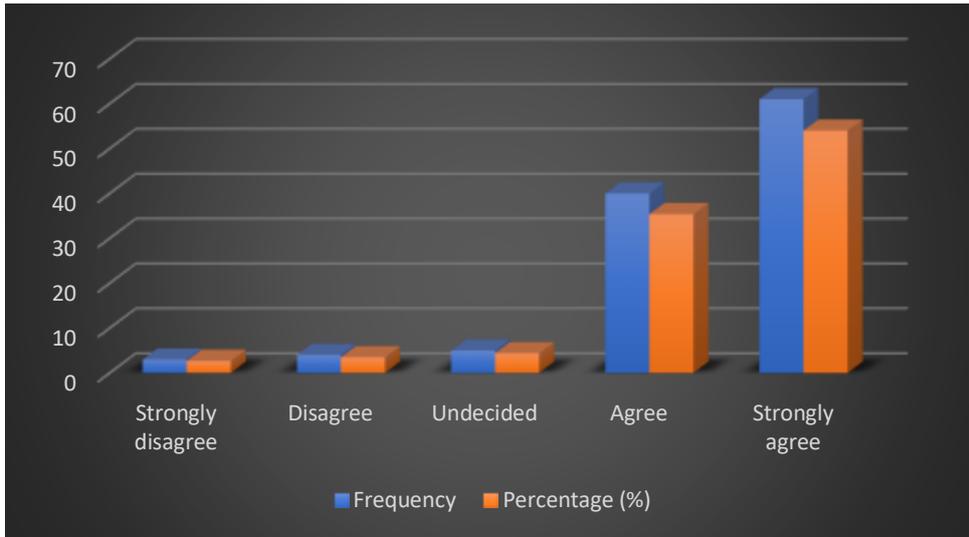


Figure 4.14: Bar-charts of WTO has helped to ease business among international and indigenous

**Source: Survey via Microsoft Excel, 2020.**

Table 4.16: Frequency and percentage WTO that helps in keeping checks on implementation.

Options/Responses	Frequency	Percentage (%)
Strongly disagree	7	6.2
Disagree	6	5.3
Undecided	8	7.1
Agree	38	33.6
Strongly agree	54	47.8
<b>Total</b>	<b>113</b>	<b>100</b>

**Source: Survey, 2020.**

Table-4.16 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 54 (47.8%) strongly agreed and 38 (33.6%) agreed that WTO and other multinational organizations help in keeping checks on implementation; 8 (7.1%) out of the respondents were undecided, while 6 (5.3%) disagreed and 7 (6.2%) strongly disagreed with the statement that WTO and other multinational organizations help in keeping checks on implementation. Hence, we conclude that WTO and other multinational organizations were generally reported to help in keeping checks on implementation.

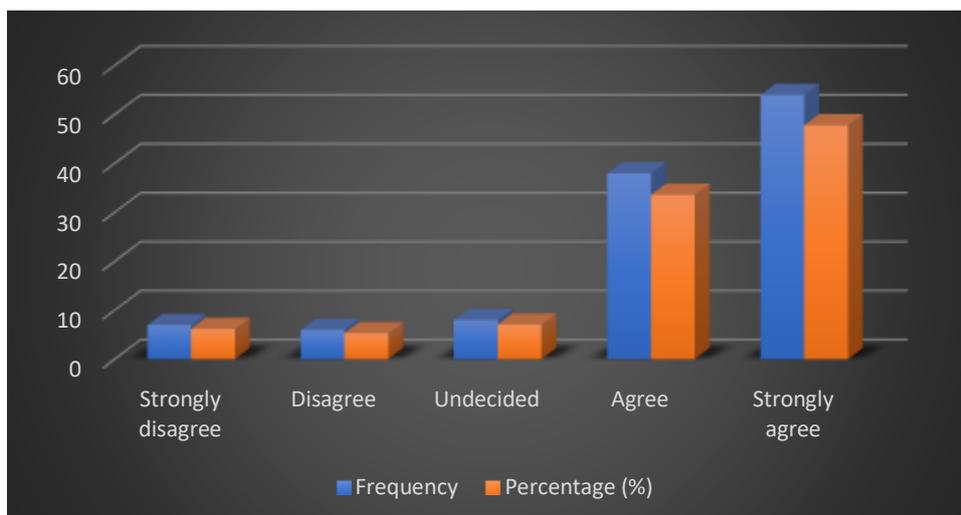


Figure 4.15: Bar-charts on WTO's help in keeping checks on implementation

**Source: Survey via Microsoft Excel, 2020.**

Table 4.17 18 Frequency and percentage of WTO that assists Nigeria in keeping checks on the implementation of tariff cuts and reduction of non-tariff measures.

Options/Responses	Frequency	Percentage (%)
Strongly disagree	5	4.4
Disagree	4	3.5
Undecided	5	4.4
Agree	29	25.7
Strongly agree	70	61.9
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.17 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 54 (47.8%) strongly agreed and 38 (33.6%) agreed that WTO and other multinational organization assist Nigeria in keeping checks on the implementation of tariff cuts and reduction of non-tariff measures; 8 (7.1%) out of the respondents were undecided, while 6 (5.3%) disagreed and 7 (6.2%) strongly disagreed with the statement that WTO and other multinational organization assist Nigeria in keeping checks on the implementation of tariff cuts and reduction of non-tariff measures. Hence we conclude that WTO and other multinational organizations were generally reported to assist Nigeria in keeping checks on the implementation of tariff cuts and reduction of non-tariff measures.

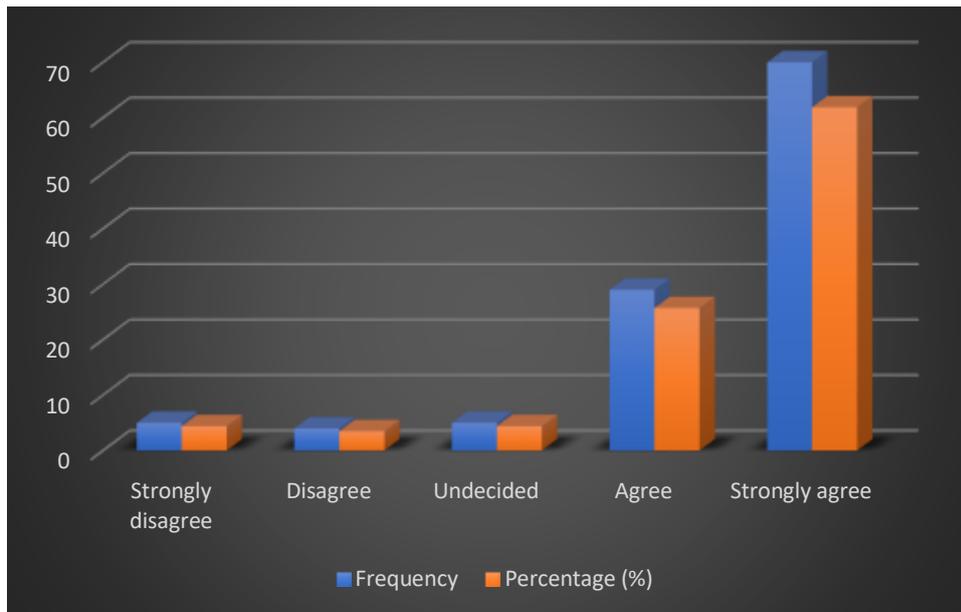


Figure 4.16: Bar-charts on WTO assist Nigeria in keeping checks on the implementation of tariff cuts and reduction of non-tariff measures

Source: Survey via Microsoft Excel, 2020.

Table 4.19: Frequency and percentage of WTO that provides a global platform that assists Nigeria in the negotiation of exchange of trade consensus.

Options/Responses	Frequency	Percentage (%)
Strongly disagree	4	3.5
Disagree	3	2.7
Undecided	7	6.2
Agree	16	14.2
Strongly agree	83	73.5
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.18 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 83 (73.5%) strongly agreed and 16 (14.2%) agreed that WTO and other multinational organization provide a global platform that assists Nigeria in the negotiation of exchange of trade consensus; 7 (6.2%) out of the respondents were undecided, while 3 (2.7%) disagreed and 4 (3.5%) strongly disagreed with the statement that WTO and other multinational organization provide a global platform that assists Nigeria in the negotiation of exchange of trade consensus. Hence, we conclude that WTO and other multinational organizations were

generally reported to provide a global platform that assists Nigeria in the negotiation of exchange of trade consensus.

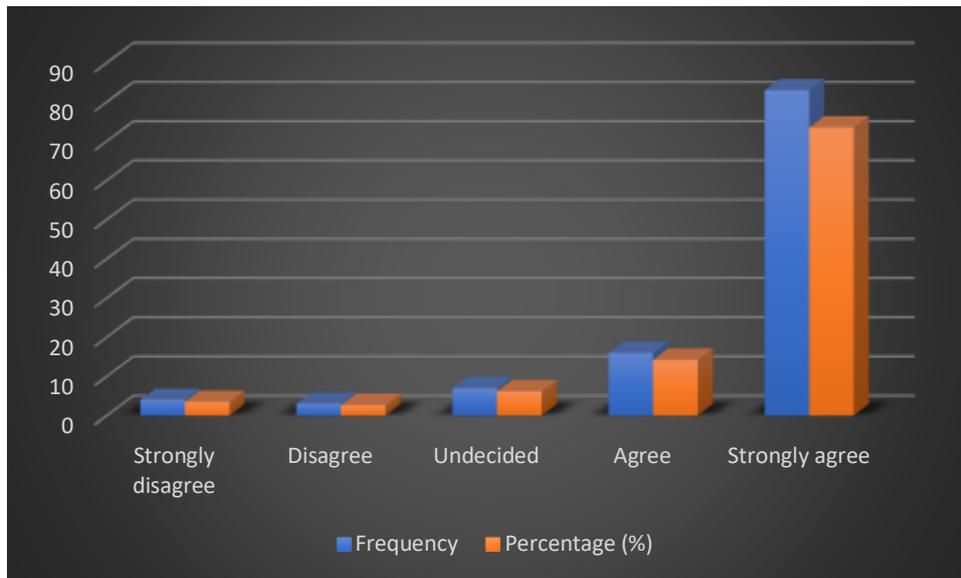


Figure 4.17: Bar-charts of WTO and other multinational organization provide a global platform that assists Nigeria in the negotiation of exchange of trade consensus

Source: Survey via Microsoft Excel, 2020.

Table 4.20: Frequency and percentage of responses on the role (or roles) that WTO plays in Nigeria's business integration?

Options/Responses	Frequency	Percentage (%)
Mediator	10	8.8
Support	13	11.5
Resource Planning	15	13.3
Do not know	7	6.2
Integration	68	60.2
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.19 above presents the view of the respondents based on the question raised. Out of the 113 responses, 10 (8.8%) agreed with the role of mediator and 13 (11.5%) agreed with the role of support; 15 (13.3%) out of the respondents agreed with the role of resource planning, while 7 (6.2%) do not know and 68 (60.2%) disagreed with the role of integration. Hence this shows that the key role (or roles) that WTO and other multinational organizations play in Nigeria's business integration is the role of integration.

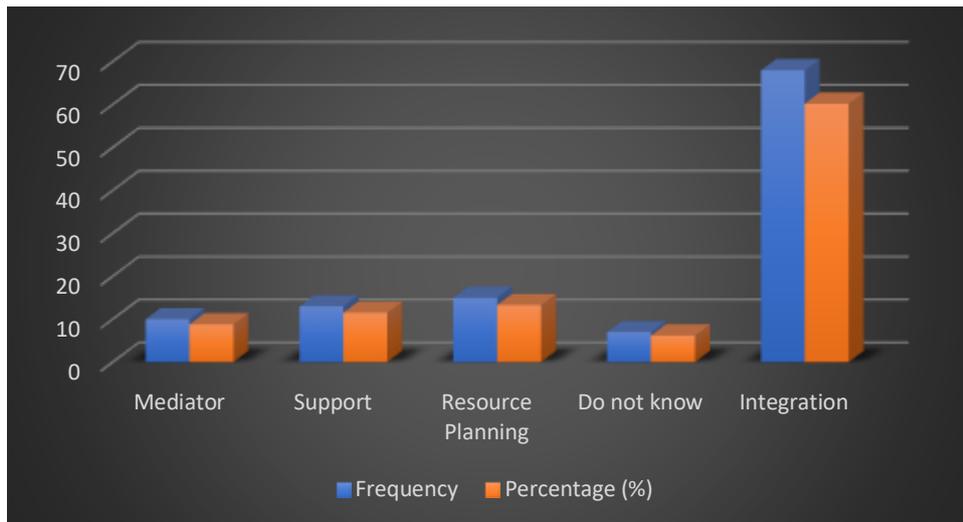


Figure 4.18: Bar-charts on the role (or roles) that WTO play in Nigeria's business integration

Source: Survey via Microsoft Excel, 2020.

#### 4.2.5 Roles of Multinational Corporation

Table 4.21: Frequency and percentage of responses to MNCs increase international company alliances.

Options/Responses	Frequency	Percentage (%)
Strongly disagree	4	3.5
Disagree	2	1.8
Undecided	8	7.1
Agree	29	25.7
Strongly agree	70	61.9
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.20 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 83 (73.5%) strongly agreed and 16 (14.2%) agreed that MNCs increases international company alliances; 7 (6.2%) out of the respondents were undecided, while 3 (2.7%) disagreed and 4 (3.5%) strongly disagreed with the statement that MNCs were generally reported to increases international company alliances. Hence, we conclude that MNCs increase international company alliances.

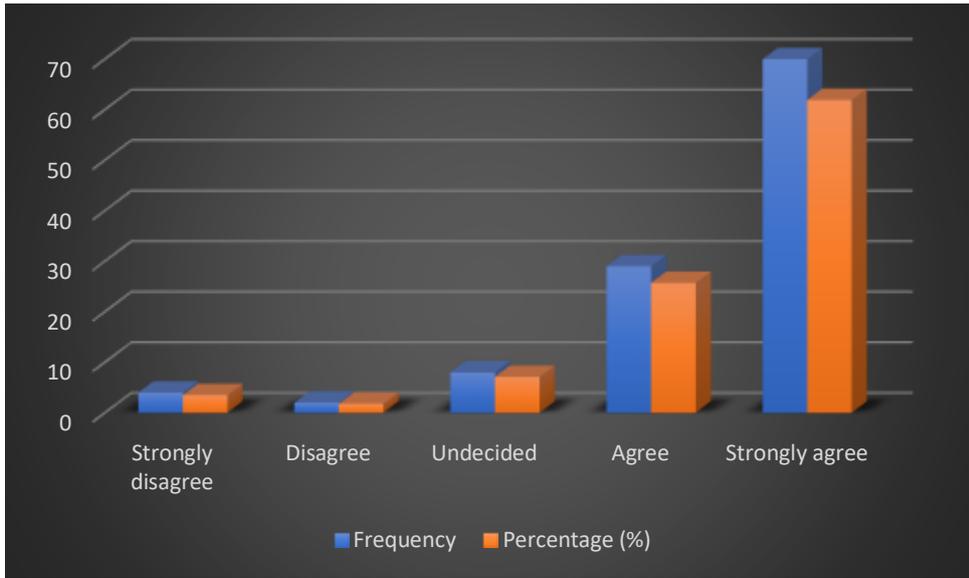


Figure 4.19: Bar-charts on MNCs increases international company alliances.

Source: Survey via Microsoft Excel, 2020.

Table 4.22 Frequency and percentage of MNCs that leads to comprehensive national security.

Options/Responses	Frequency	Percentage (%)
Strongly disagree	3	2.7
Disagree	11	9.7
Undecided	3	2.7
Agree	22	19.5
Strongly agree	74	65.5
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.21 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 74 (65.5%) strongly agreed and 22 (19.5%) agreed that MNCs leads to comprehensive national security; 3 (2.7%) out of the respondents were undecided, while 11 (9.7%) disagreed and 3 (2.7%) strongly disagreed with the statement that MNCs leads to comprehensive national security. Hence, we conclude that MNCs were generally reported to lead to comprehensive national security.

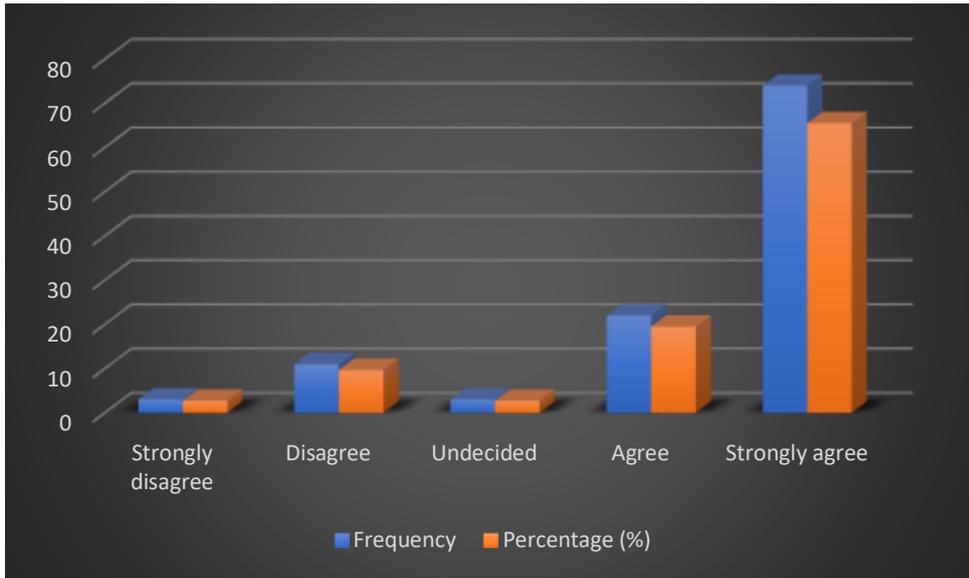


Figure 4.20: Bar-charts of MNCs leads to comprehensive national security

Source: Survey via Microsoft Excel, 2020.

Table 4.23: Frequency and percentage of responses on MNCs have led to a favourable climate for international trade.

Options/Responses	Frequency	Percentage (%)
Strongly disagree	2	1.8
Disagree	6	5.3
Undecided	4	3.5
Agree	40	35.4
Strongly agree	61	54.0
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.22 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 61 (54.0%) strongly agreed and 40 (35.4%) agreed that MNCs has led to a favourable climate for international trade; 4 (3.5%) out of the respondents were undecided, while 6 (5.3%) disagreed and 2 (1.8%) strongly disagreed with the statement that MNCs has led to a favourable climate for international trade. Hence, we conclude that MNCs were generally reported to have led to a favourable climate for international trade.

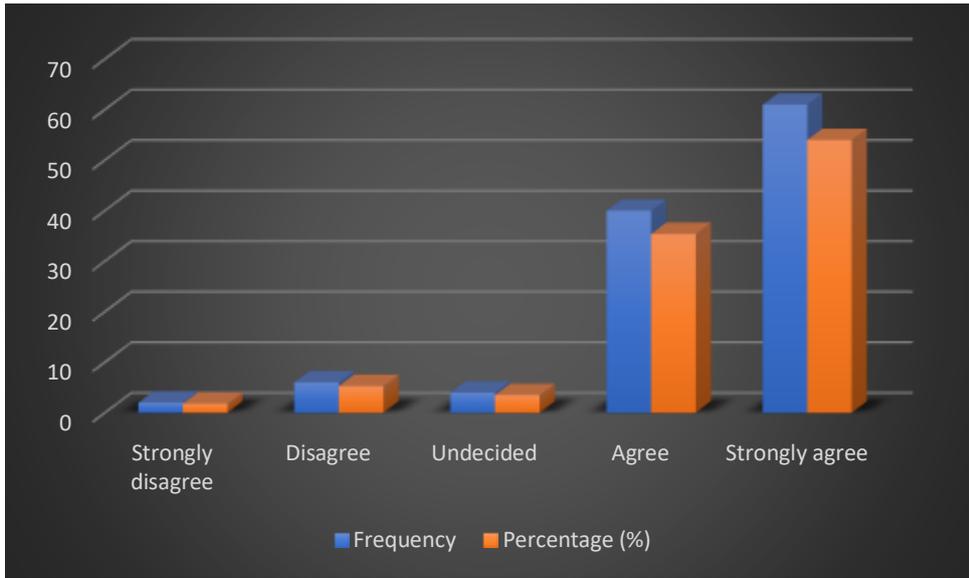


Figure 4. 21: Bar-charts of MNCs has led to a favourable climate for international trade.

Source: Survey via Microsoft Excel, 2020.

**4.2.6 Key issues leading to GSK integrating with international and indigenous business in Nigeria**

Table 4.24: Frequency and percentage of responses on issues that GSK has considered to integrate its international business strategy with the local business strategy of Nigeria.

Options/Responses	Frequency	Percent (%)
Cultural difference	2	1.8
Diversity management	59	52.2
Local employee recruitment	7	6.2
Product development	9	8.0
Autocratic system	36	31.9
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.23 above presents the opinion of the respondents based on the question raised. Out of the 113 responses, 2 (1.8%) agreed with cultural difference and 59 (52.2%) agreed with diversity management; 7 (6.2%) out of the respondents agreed with Local employee recruitment, while 7 (6.2%) chose product development and 68 (60.2%) chose autocratic system. Hence this shows that the key issues that GSK has considered to integrate its international business strategy with the local business strategy in Nigeria are Diversity Management.

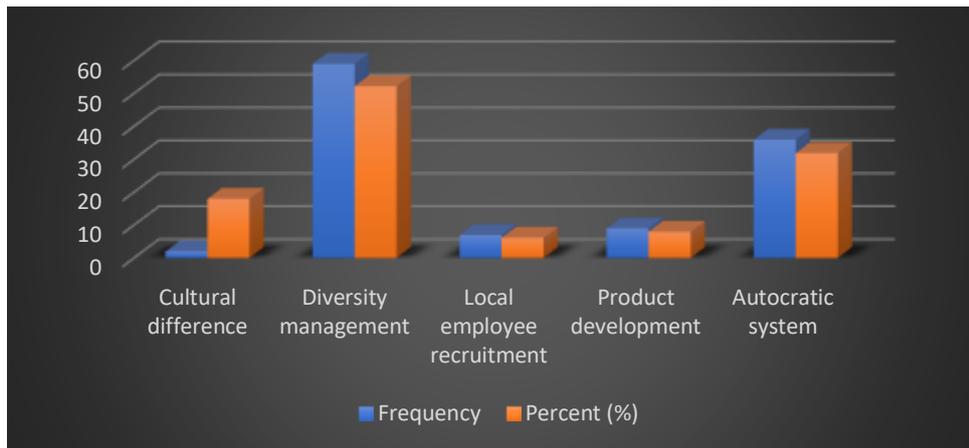


Figure 4.22: Bar-charts of issues that GSK has considered to integrate its international business strategy with the local business strategy of Nigeria.

Source: Survey via Microsoft Excel, 2020.

Table 4.25: Frequency and percentage of responses on GSK to the market competitiveness throughout its international and indigenous business strategy integration in Nigeria.

Options/Responses	Frequency	Percent (%)
Marketing strategy	25	22.1
Product development	23	20.4
Employee and customer engagement	3	2.7
Diversity management	13	11.5
Communication	49	43.4
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.24 above presents the opinion of the respondents based on the question raised. From the response of the respondents, it was noticed that 2 (1.8%) agreed with cultural difference and 59 (52.2%) agreed with diversity management; 7 (6.2%) out of the respondents agreed with Local employee recruitment, while 7 (6.2%) chose product development and 68 (60.2%) chose autocratic system. Hence this shows that GSK majorly responded to the market competitiveness throughout its international and indigenous business strategy integration in Nigeria through Communication

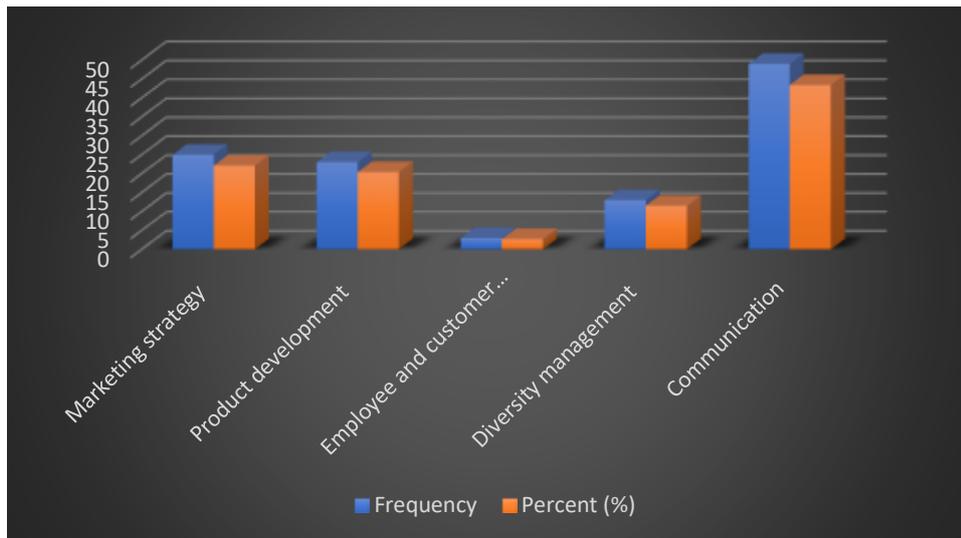


Figure 4.23: Bar-charts of how GSK responds to the market competitiveness throughout its international and indigenous business strategy integration in Nigeria.

Source: Survey via Microsoft Excel, 2020.

Table 4.26: Frequency and percentage of responses on how the HRM of GSK integrates its foreign employees with the local employees during its business integration in Nigeria.

Options/Responses	Frequency	Percent (%)
Diversity management	2	1.8
Training and development	31	27.4
Employee engagement	6	5.3
Culture	10	8.8
Motivation	64	56.6
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.25 above presents the opinion of the respondents based on the question raised. From the response of the respondents, it was noticed that 2 (1.8%) agreed with diversity management and 31 (27.4%) agreed with training and development; 6 (5.3%) out of the respondents agreed with employee engagement, while 10 (8.8%) chose culture and 64 (56.6%) chose Motivation. Hence this shows that the HRM of GSK majorly integrates its foreign employees with the local employees during its business integration in Nigeria through Motivation

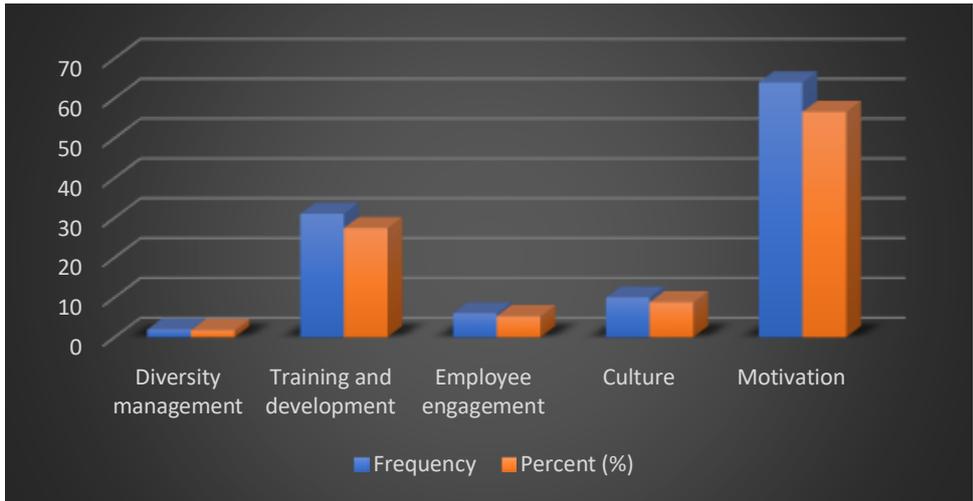


Figure 4.24: Bar-charts of how the HRM of GSK integrates its foreign employees with the local employees during its business integration in Nigeria.

Source: Survey via Microsoft Excel, 2020.

Table 4.27: Frequency and percentage of responses to GSK’s strategy of integrating its international business with indigenous business.

	Frequency	Percentage (%)
Strongly disagree	5	4.4
Disagree	4	3.5
Undecided	8	7.1
Agree	8	7.1
Strongly agree	88	77.9
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table-4.26 above presents the opinion of the respondents based on the question raised. From the response of the respondents it was noticed that, 88 (77.9%) strongly agreed and 8 (7.1%) agreed that GSK’s strategy of integrating its international business with indigenous business has not performed beyond the desired benefit; s in Nigeria; 8 (7.1%) out of the respondents were undecided, while 4 (3.5%) disagreed and 5 (4.4%) strongly disagreed with the statement that GSK’s strategy of integrating its international business with indigenous business has not performed beyond the desired benefit GSK; s in Nigeria. Hence we conclude that GSK’s strategy of integrating its international business with indigenous business has not performed beyond the desired benefit.

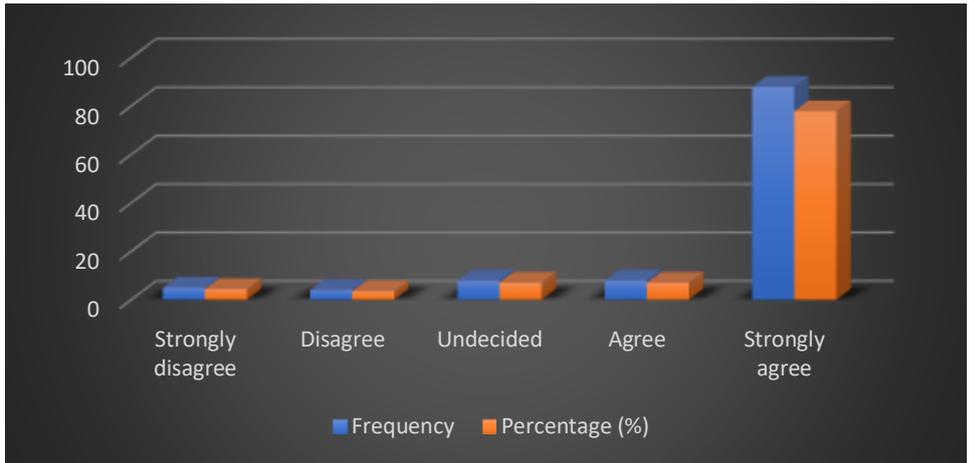


Figure 4.25: Bar-charts of GSK’s strategy of integrating its international business with indigenous business has not performed beyond the desired benefit

Source: Survey via Microsoft Excel, 2020.

#### 4.2.6 Government Attitudes towards Integration

Table 4.28: Frequency and percentage of responses on the integration of international and indigenous businesses.

	Frequency	Percentage (%)
Strongly disagree	41	36.3
Disagree	29	25.7
Undecided	11	9.7
Agree	14	12.4
Strongly agree	18	15.9
<b>Total</b>	<b>113</b>	<b>100</b>

Source: Survey, 2020.

Table 4.27 above presents the opinion of the respondents based on the question raised. From the response of the respondents it was noticed that of the 113 respondents, 41(36.3%) of the respondents were not in support. 29 (25.7%) of the respondents disagreed with the fact. 11 of the respondents that represent 9.7% were neutral while 14 (12.4%) agreed that the government has not favour integrations of business and 18 (15.9%) strongly agreed. Based on the result it can be concluded that the government in Nigeria was reported to favor the integration of indigenous and international business.

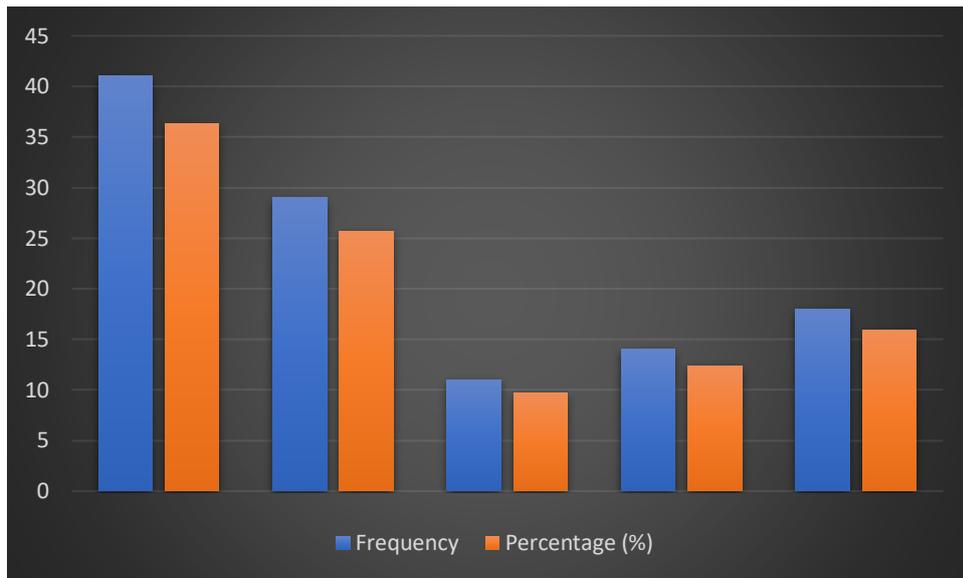


Figure 4.26: Bar-charts on the integration of international and indigenous businesses.

Source: Survey via Microsoft Excel, 2020.

Table 4.29: Frequency and percentage of responses on multinational corporations to thrive in the country.

	Frequency	Percentage (%)
Strongly disagree	47	41.6
Disagree	35	30.9
Undecided	10	8.8
Agree	12	10.6
Strongly agree	9	7.9
<b>Total</b>	<b>113</b>	<b>100</b>

**Source: Survey, 2020**

Table 4.29 shows the response of respondents on whether the government has created an enabling environment that will favour the integration of international and indigenous businesses. Out of the 113 respondents, 47(41.6%) strongly disagreed 35(30.9%) of the respondents disagreed with the fact. 10 of the respondents that represent 8.8% were neutral while 12(10.6%) agreed that the government has not favour integrations of business and 9 (7.6%) strongly agreed. Based on the result it can be concluded that the government in Nigeria was reported to have created an enabling environment for a multinational corporation to grow.

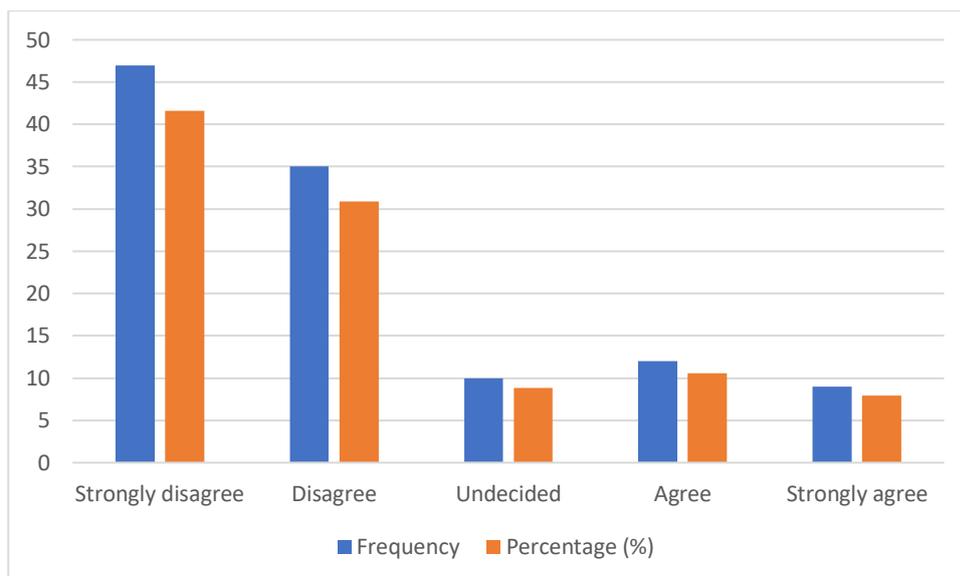


Figure 4.27: Bar-charts on multinational corporations to thrive in the country

Source: Survey via Microsoft Excel, 2020.

Table 4.30: Frequency and percentage of responses on climate and security for the free flow of international trade.

Opinion	Frequency	Percentage (%)
Strongly disagree	23	20.4
Disagree	18	15.9
Undecided	9	8.0
Agree	30	26.5
Strongly agree	33	29.2
<b>Total</b>	<b>113</b>	<b>100</b>

Table 4.29 presents the response of respondents on whether the government of the country has provided favourable climate and security for the free flow of indigenous and international business. Out of the 113 respondents, 23 (20.4%) of the respondents were not in support. 19 (15.9%) of the respondents disagreed. 9 (8.0%) were undecided. 30 (26.5%) agreed while 33 (29.2%). Based on the result it can be concluded that the government in Nigeria was reported to create an enabling environment for the free flow of the integration of indigenous and international business.

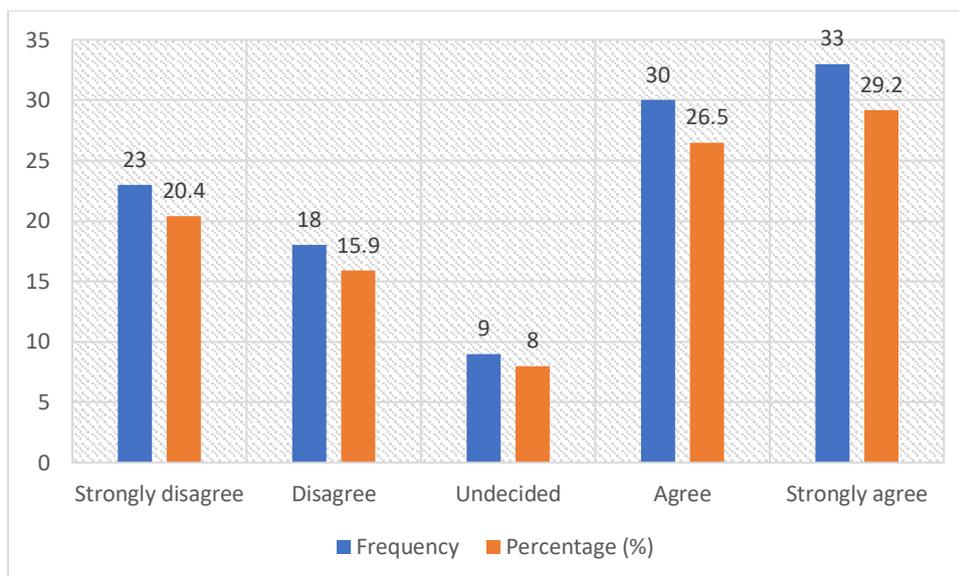


Figure 4.28: Bar-charts on climate and security for the free flow of international trade

Source: Survey via Microsoft Excel, 2020.

Table 4.31: Frequency and percentage of responses on the future benefit of GSK in Nigeria.

Opinion	Frequency	Percentage (%)
Strongly disagree	62	60.2
Disagree	32	28.3
Undecided	1	0.9
Agree	4	3.5
Strongly agree	8	7.1
<b>Total</b>	<b>113</b>	<b>100</b>

Table-4.30 above presents the opinion of the respondents based on the question raised. From the response of the respondents, it was noticed that 8 (7.1%) strongly agreed and 4 (3.5%) agreed that Government does not see any future benefit of GSK; s in Nigeria; 1 (0.9%) out of the respondents were undecided, while 32 (28.3%) disagreed and 62 (60.2%) strongly disagreed with the statement that Government does not see any future benefit of GSK in Nigeria. Hence, we conclude that the Government was reported to see several future benefits of GSK in Nigeria.

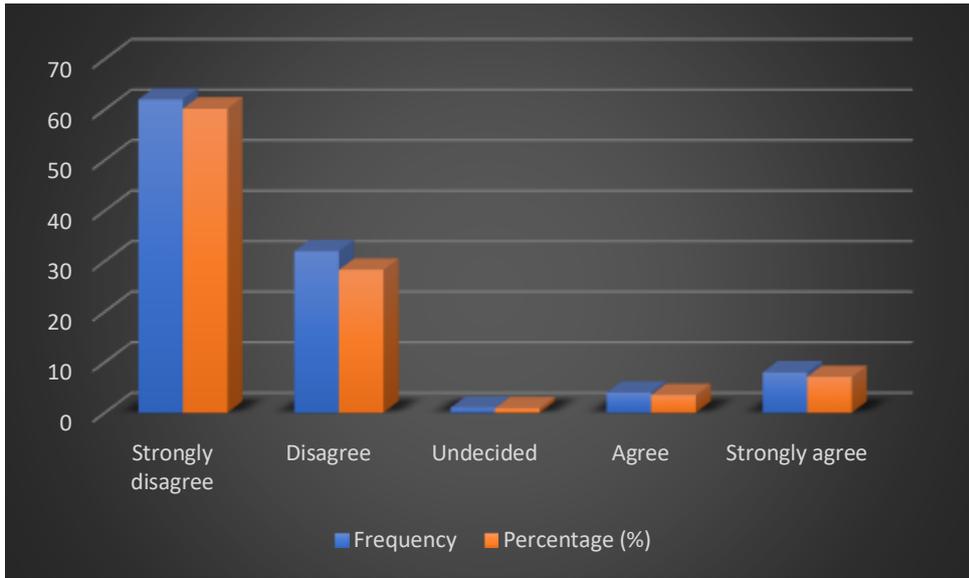


Figure 4.29: Bar-charts on the future benefit of GSK in Nigeria.

Source: Survey via Microsoft Excel, 2020.

### 4.3 Test of Hypothesis

This section of the thesis deals with the test of hypotheses. Three hypotheses were formulated and tested for the study based on the objectives specified

#### Hypothesis One

H<sub>10</sub>: The selected MNC (GSK) has no significant role, nor a significant effect on the integration of international and indigenous businesses in Nigeria.

H<sub>11</sub>: The selected MNC (GSK) has a significant role and a significant effect on the integration of international and indigenous businesses in Nigeria.

To test for this hypothesis, simple regression analysis along with the Analysis of Variance was employed and the summary of the findings is presented as follows

Table 4.32: Simple Linear Regression Model Statistics Summary of Multinational Corporation's prediction of integration of business in Nigeria.

Multiple R	0.758
R Square	0.636
Adjusted R Square	0.621
Standard error	1.55953
Observation	113

Source: Researchers computation via SPSS 20

Table 4.31 shows the summary of results in terms of the coefficient of determination indicating the prediction of the independent variable and the standard error terms of regression. Based on the result presented, the independent variable (role of multinational corporation) explained about 64% of the variation of the integration of international and indigenous businesses in Nigeria. This shows that multinational corporation's role in the country is a good predictor of integration. The result also shows a low standard error of 1.55953. The unexplained variation of about 36% is being captured by the error term in the model.

Table 4. 33: ANOVA and Coefficient of Simple Regression Statistics Output of the impact of Multinational Corporation on the integration of Business in Nigeria.

	<b>Df</b>	<b>SS</b>	<b>MS</b>	<b>F</b>	<b>Sig. of F</b>	<b>Decision</b>
Regression	1	751.890	751.890	39.147	0.000	Reject Ho
Residual	112	269.968	2.432			
Total	113	1021.858				

	<b>Coefficients</b>	<b>Standard Error</b>	<b>t Stat</b>	<b>p-value</b>
Intercept	1.685	1.110	1.517	0.132
Multinational Corporation	0.897	0.051	17.583	0.000

**Source: Researchers computation using SPSS 20**

**Dependent Variable: Integration of Business**

Table 4.32 shows that the role of Multinational Corporation was positive and significant in explaining the integration of business in Nigeria with ( $F=39.147$   $\rho <0.00$ ,  $R=0.758$ ,  $R^2=0.636$  and adjusted  $R^2 =0.621$ ) based on the  $R^2$  result, the independent predictor variable (Multinational Corporation) accounted for about 64 percent in the variation of integration of international and indigenous business in Nigeria. The following relative contribution and level of significance of the independent variable shows ( $\beta =0.897$ ,  $\rho <0.01$ ). Based on the result, with an increase in the role of multinational corporations by 1%, integration of international and indigenous business will rise by 0.897 percent. This indicates a positive relationship between the role of multinational corporations and the integration of businesses. The result was also significant with  $\rho = 0.000$  which indicates  $\rho <0.01$ . Based on this result, the null hypothesis is of no significant effect of the role of multinational companies on the integration of the international and indigenous business is rejected. Hence, the alternative hypothesis ( $H1_1$ )

that multinational companies' roles have a significant impact on the integration of international and indigenous business is accepted.

**Hypothesis Two**

H2<sub>0</sub>: The WTO has no significant role, nor a significant effect on the integration of international and indigenous businesses in Nigeria.

H2<sub>1</sub>: WTO has a significant role and a significant effect on the integration of international and indigenous businesses in Nigeria.

To test for this hypothesis, simple regression analysis along with the Analysis of Variance was employed and the summary of the findings is presented as follows

Table 4.34: Simple Linear Regression Model Statistics Summary of World Trade Organization prediction of integration of business in Nigeria.

Multiple R	0.791
R Square	0.636
Adjusted R Square	0.501
Standard error	1.37824
Observation	113

**Source: Researchers computation via SPSS 20**

The summary of the simple linear regression model statistics in terms of the multiple R-square, R – square, adjusted R square, standard error, and the number of observations is presented in Table 4.33. Based on the result presented, the independent variable (role of the World Trade Organization) explained about 64% of the variation of the integration of international and indigenous businesses in Nigeria. This shows that WTO is a good predictor of the integration of business in Nigeria. The result also shows a low standard error of 1.37824. The unexplained variation of about 36% is being captured by the error term in the model.

Table 4.35: ANOVA and Coefficient of Simple Regression Statistics Output of the impact of WTO on the integration of Business in Nigeria.

	<b>Df</b>	<b>SS</b>	<b>MS</b>	<b>F</b>	<b>Sig. of F</b>	<b>Decision</b>
Regression	1	811.010	811.010	26.952	0.000	Reject
Residual	112	210.848	1.900			Ho
Total	113	1021.858				

	<b>Coefficients</b>	<b>Standard Error</b>	<b>t Stat</b>	<b>p-value</b>
Intercept	-0.401	1.046	-0.384	0.702
Role of WTO	0.726	0.035	20.663	0.000

**Source: Researchers computation using SPSS 20**

### **Dependent Variable: Integration of Business**

Table 4.34 and Table 4.31 shows that the role of multinational corporations was positive and significant in explaining the integration of business in Nigeria with ( $F(1, 112) = 26.952$ ,  $\rho < 0.00$ ,  $R = 0.791$ ,  $R^2 = 0.636$  and adjusted  $R^2 = 0.501$ ) based on the  $R^2$  result, the independent predictor variable (WTO) accounted for about 64 percent in the variation of integration of international and indigenous business in Nigeria. The relative contribution and level of significances of the independent variable shows ( $\beta = 0.726$ ,  $\rho < 0.01$ ). Based on the result, with an increase in the role of WTO by 1%, integration of international and indigenous business will rise by 0.726 percent. This indicates a positive relationship between the role of WTO and the integration of international and indigenous businesses in Nigeria. The result was also significant with  $\rho = 0.000$  which indicates  $\rho < 0.01$ . Based on this result, the null hypothesis of no significant effect of the role of the World Trade Organization on the integration of international and indigenous businesses is rejected. Hence, the alternative hypothesis ( $H_{21}$ ) that World Trade Organizational roles have a significant impact on the integration of international and indigenous business is accepted.

### **Hypothesis Three**

$H_{30}$ : The Government attitude has no significant role nor effect on the integration of international and indigenous businesses in Nigeria.

$H_{31}$ : The Government attitude has a significant role and a significant effect on the integration of international and indigenous businesses in Nigeria.

To test for this hypothesis, simple regression analysis along with the Analysis of Variance (ANOVA) was employed and the summary of the findings is presented as follows

Table 4. 36: Simple Linear Regression Model Statistics Summary of Government attitude prediction of integration of business in Nigeria.

Multiple R	0.661
R Square	0.521
Adjusted R Square	0.423
Standard error	2.92477
Observation	113

**Source: Researchers computation via SPSS 20**

The summary of the simple linear regression model statistics in terms of the multiple R-square, R – square, adjusted R square, standard error, and the number of observations is presented in Table 4.31. Based on the result presented, the independent variable (Government Attitude) explained about 52% of the variation of the integration of international and indigenous businesses in Nigeria. This shows that the government attitude in the host country is a better predictor of the integration of business. The result also shows a low standard error of 2.92477. The unexplained variation of about 48% is being captured by the error term in the model.

Table 4. 37: ANOVA and Coefficient of Simple Regression Statistics Output of the impact of Multinational Corporation on the integration of Business in Nigeria.

	<b>Df</b>	<b>SS</b>	<b>MS</b>	<b>F</b>	<b>Sig. of F</b>	<b>Decision</b>
Regression	1	72.334	72.334	8.456	0.000	Reject Ho
Residual	112	949.524	8.554			
Total	113	1021.858				

	<b>Coefficients</b>	<b>Standard Error</b>	<b>t Stat</b>	<b>p-value</b>
Intercept	16.126	1.711	9.427	0.000
Government Attitude	0.296	0.102	2.908	0.004

**Source: Researchers computation using SPSS 20**

### **Dependent Variable: Integration of Business**

Table 4.36 and Table 4.35 shows that government attitude was positive and significant in explaining the integration of business in Nigeria with (F=8.456  $\rho < 0.00$ , R=0.661, R<sup>2</sup>=0.521 and adjusted R<sup>2</sup> =0.423) based on the R<sup>2</sup> result, the independent predictor variable (government attitude) accounted for about 67 percent in the variation of integration of international and indigenous business in Nigeria. The relative contribution and level of significance of the

independent variable shows ( $\beta = 0.296$ ,  $\rho < 0.01$ ). Based on the result, an increase in government attitude towards favouring integration by 1%, will increase the integration of international and indigenous businesses by 0.296 percent. This indicates a positive relationship between government attitude and integration of business in Nigeria. Furthermore, the result was also significant with  $\rho = 0.004$  which indicates  $\rho < 0.01$ . Based on this result, the null hypothesis of no significant effect of government attitude on the integration of international and indigenous businesses is rejected. Hence, the alternative hypothesis (H3<sub>1</sub>) that government attitude has a significant impact on the integration of international and indigenous business is accepted.

## CHAPTER FIVE

### DISCUSSION OF RESULTS

#### 5.1 Introduction

The main aim of this chapter centered on the discussion of findings obtained from the data presentation and test of hypothesis based on the response of the respondents. The outcome of the result is used for the conclusion and recommendations for the study.

#### 5.2 Discussion of Findings

The role of multinational corporations in any nation cannot be underestimated. This study examined the role of multinational corporations in the integration of international and indigenous businesses in Nigeria. To address the research, four objectives were formulated along with three hypotheses.

##### Research Question 1

**Does the role of multinational corporations have any significant impact on the integration of international and indigenous businesses in Nigeria?**

To address this question and to achieve the objective, Ordinary Least Square regression and Analysis of Variance (ANOVA) was used. The result shows that the role of multinational companies has a positive and significant effect on the integration of business in Nigeria with ( $\beta = .897, \rho < .01$ ). This shows that the acceptance of multinational companies in the country will help in bringing in more international businesses along with increasing the growth of indigenous ones. It was also noted that multinational corporations predict about 74 percent in the variation of integration of business in Nigeria with ( $R = .758, R^2 = .636$ , and Adjusted  $R^2 = .633$ ). These findings are in line with the work by Ferdausy and Rahman (2009) on the impact of multinational corporations on developing countries that also found a positive effect on the role of multinational corporations in developing countries. Based on these findings, the null hypothesis of no significant effect of the role of multinational companies in the integration of international and indigenous businesses is rejected. Hence, based on the empirical data collected and the results of the statistical analysis conducted, the study concluded that multinational corporations were reported to have performed a significant effect on the integration of international and indigenous businesses in Nigeria.

## **Research Question 2**

### **Is there any socio-economic benefit of the integration of International and Indigenous businesses?**

To address the research question, descriptive analysis was employed based on the responses of the respondents. The findings showed that a higher percentage of the respondents strongly agreed that integration of business has created an avenue for employment opportunities as the integration created more opportunities in the host country for them to be employed. Also, this has reduced the high rate of poverty as the unemployment rate is been reduced with the creation of more job opportunities. Furthermore, the integration has led to new technology that has brought about an improvement in the quality of production of goods being produced in the country. It has also brought about different varieties of goods and services into the country and has encouraged more development in the infant industries as most materials and equipment needed are easily assessed. Based on these findings, it can be concluded that the integration of international and indigenous businesses can create a list of socio-economic benefits to the host country. This empirical finding of the study is in line with Popa and Salanta (2019) which revealed that business organization brings in positive benefits to the society. Oetzel and Miklian (2017) also agreed that there are socio-economic benefit arises from a multinational corporation to the host countries. The above result, therefore, addresses the second research question on the study.

## **Research Question 3**

### **Does the role of the World Trade Organization have any significant impact on the integration of international and indigenous business in Nigeria?**

To achieve this third research objective and addressed the question, the study employed the Ordinary Least Square regression along with Analysis of Variance (ANOVA) on the response of the respondent coded. The result shows that the role of WTO impacted positive and significant on the integration of business in Nigeria with ( $F(1,112) = 26.952, \rho < 0.01, \beta = .726, \rho < .01$ ). It was also noted that WTO predicts about 74 percent in the variation of integration of business in Nigeria with ( $R = .791, R^2 = .694$  and  $\text{Adjusted } R^2 = .692$ ). The finding is in line with that of the study by Irshad, Xin, Ayaz, and Ali (2014). Based on the findings, the null hypothesis that of no significant effect on the role of WTO in the integration of international and indigenous businesses is rejected. Hence, based on the empirical data collected and the results of the statistical analysis conducted, the study concluded that the

World Trade Organization has played crucial roles and performed an important part in the integration of international and indigenous businesses in Nigeria.

#### **Research Question 4**

#### **Does government attitude have any significant impact on the integration of international and indigenous business in Nigeria?**

The research question was based on whether government attitude has any significant effect on the integration of international and indigenous businesses in Nigeria. To achieve the objective and answer the research question, Ordinary Least Square regression and Analysis of Variance was used. The result shows attitude of government has significant effect on the integration of business in Nigeria with ( $F(1,112) = 8.454, p < .001, \beta = .298, p < .004$ ). This shows that the attitude of the government of a country is important in the integration of international and indigenous businesses. It was also noted that government attitude accounts for about 67 percent in the variation of integration of business in Nigeria with ( $R = .766, R^2 = .671$  and Adjusted  $R^2 = .662$ ). Based on the findings, the null hypothesis of government attitude having no significant effect on the integration of international and indigenous businesses is rejected. Hence, based on the empirical data collected and the results of the statistical analysis conducted the study concluded that government attitude was reported to have a significant effect on the integration of international and indigenous businesses in Nigeria.

## CHAPTER SIX

### CONCLUSION AND RECOMMENDATION

#### 6.1 Introduction

This chapter of the thesis presents a summary of the findings, conclusion, recommendations, contribution to knowledge as well as suggestions for future research.

#### 6.2 Summary of findings

The study examined the role of multinational corporations in the integration of international and indigenous businesses in GlaxoSmithKline Nigeria. To achieve the aim of the study, four different objectives were formulated, and three research hypotheses were proposed. The first, third, and fourth objectives were achieved using regression analysis along with analysis of variance (ANOVA) while the second objective of the study was achieved using descriptive analysis. The summary of the findings are as follows:

- i. The integration of indigenous and international businesses is reported to have been of great benefit to Nigeria by providing employment opportunities, improvement in the standard of living through the generation of additional income to households, innovation, and opportunity for growth in the infant industries.
- ii. Multinational corporations are reported to have assisted in the integration of indigenous and international business in Nigeria. Their roles over the years have been positive and significant in the integration of indigenous and international business.
- iii. World Trade Organization is reported to have contributed immensely to the integration of international and indigenous businesses in Nigeria. It was noticed from the result that WTO plays a positive and significant role in the integration of indigenous and international business.
- iv. Government attitude in the country is reported to have been towards the provision of an enabling environment for the integration of international and indigenous businesses. Government attitude has been significant and positive towards the integration in the country.

### **6.3 Conclusion**

The important role played by the multinational corporation over the years cannot be underestimated. This study examined the role of multinational corporations in the integration of international and indigenous businesses. The study, therefore, concluded that multinational corporations have contributed immensely to the integration of international and indigenous businesses in Nigeria.

### **6.4 Recommendation**

Based on the findings of the study, some recommendation are as follows

- i. There is a need for integration of international and indigenous business as this will create an enabling environment for the home industry to thrive
- ii. There is a need to accept multinational corporation in the host country as the role they play in the economy has been positive and significant
- iii. Government policy should be towards encouraging the integration of international and indigenous business
- iv. Government attitude should be towards encouraging the influx of international trade as this will help in the growth of infant industry
- v. To ensure that a good relationship exists between indigenous and international business, there is a need for effective measures to be put in place to link business opportunities together,

### **Contribution to Knowledge and Implication of Findings**

The study has contributed to knowledge in the following areas: First, it has added to the existing literature on the fact that multinational corporations impacted positively and significantly on the integration of international and indigenous businesses. Secondly, most studies in the literature dealing with the integration of international and indigenous businesses only focused on the role of multinational companies. This study went ahead to also see the role of the World Trade Organization and the attitude of the government towards the integration in which previous studies ignored. Furthermore, the findings of the study will guide multinational companies and the government in the area they should direct policies that will guide multinational companies in integrating the international and indigenous businesses.

The implication of the findings, therefore, shows that the government needs to create an enabling environment for the integration of indigenous and international business. This can be

done by policymakers. However, the failure of an enabling environment to thrive will lead the host country to wallow in a high rate of unemployment, poor standard of living, poor innovation in the provision of goods as host countries will only focused on their old fashion style of production.

### **Suggestions for Further Research**

This study has been able to examine the role of multinational corporations in the integration of international and indigenous businesses using GlaxoSmithKline in Nigeria. Although, the study has contributed to existing knowledge, yet, there are suggestions for further research. First, the study only concentrated on GlaxoSmithKline, further studies many looks at other companies and make comparison. Secondly, due to the present pandemic in the country, few respondents were used, further studies may extend the number of respondents that may likely give a more robust result. Thirdly, Nigeria was used as a major focus, further studies may look at other countries and compare the result with that of Nigeria. Fourth, the study used only the primary source of data through questionnaires. Further studies may look at both secondary data and primary data sources.

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## APPENDIX

### Questionnaire

Planned Questionnaire

**TITLE OF THE RESEARCH:** “An analysis of the role of Multinational Corporation in the host country's integration of international and indigenous business- A case study on GlaxoSmithKline in Nigeria”

Dear participant,

I am Odiase Wynetter, a post-graduate student researching the above topic. The survey will assist in seeing the role of Multinational corporations in the host country's integration of international and indigenous businesses and GlaxoSmithKline in Nigeria is my case study. Ethical issues will be strictly managed, and your response is considered confidential and any information of yours will be protected from third parties.

Thank You for taking a few minutes to complete this survey

#### SECTION A: Demographic characteristics of Respondents

Please tick (√) where appropriate

1. Kindly indicate your gender: Male ( ) Female ( )
2. Please indicate your age group 20-30 ( ) 31-40 ( ) 41-50 ( ) 50 and above ( )
3. Marital Status: Married ( ) Single ( ) Widow ( ) Separated ( )
4. Religion: Christianity ( ) Islam ( ) Others ( )
5. Educational Qualification: Postgraduate ( ) Professional ( ) B.Sc./HND ( )  
OND/NCE ( ) SSCE/GCE ( ) Others ( )

6. Work Experience: Less than 5 years ( ) 5-10 years ( ) 11-15 years 16 years and above ( )

7. Cadre: Senior Staff ( ) Junior Staff ( ) Others ( )

**SECTION B:**

This section contains items to examine the role of Multinational Corporation in the host country's integration of international and indigenous business

Please rate the following statement on a scale of 1-5, where 1= Strongly Disagree (SD), 2= Disagree(D), 3= Undecided (U), 4= Agree (A) and 5=Strongly Agree (SA)

<b>SECTION B: Socioeconomic benefit of Integrated business</b>						
<b>No</b>	<b>ITEMS</b>	<b>SD</b>	<b>D</b>	<b>U</b>	<b>A</b>	<b>SA</b>
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	The integration of business in Nigeria has created employment opportunities for local employers?					
2	The integration of multinational corporations helps in improving the standard of living in Nigeria?					
3	The integration of business in Nigeria has improved productivity among local business owners in Nigeria?					
4	The integration of business in Nigeria has helped in diverse innovations in the country					
5	The integration of business in Nigeria has helped in diverse innovations in the country					
<b>SECTION C: Role of MNCs in the integration of international and indigenous business in Nigeria</b>						
<b>No</b>	<b>ITEMS</b>	<b>SD</b>	<b>D</b>	<b>U</b>	<b>A</b>	<b>SA</b>
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	Multinational corporations help in improving the standard of living					
2	Multinational corporations help in the security of indigenous business					
3	Multinational corporations help in bringing new ideas to production					
4	Multinational corporations destroy the growth of indigenous business in the country					

<b>SECTION D: Role of WTO in the integration of international and indigenous business in Nigeria</b>						
<b>No</b>	<b>ITEMS</b>	<b>SD</b>	<b>D</b>	<b>U</b>	<b>A</b>	<b>SA</b>
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	WTO help in reducing trade barriers in Nigeria?					
2	WTO provides an avenue for Nigeria in resolving trade disputes?					
3	WTO helps in smooth business among international and indigenous					
4	WTO help in keeping checks on implementation					
5	WTO assist Nigeria in keeping checks on the implementation of tariff cuts and reduction of non-tariff measures					
6	WTO provides a global platform that assists Nigeria in the negotiation of exchange of trade consensus					
<b>SECTION E: Government Attitude towards the integration of international and indigenous business</b>						
<b>No</b>	<b>ITEMS</b>	<b>SD</b>	<b>D</b>	<b>U</b>	<b>A</b>	<b>SA</b>
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	The government in the country does not favor the integration of international and indigenous business					
2	The government have created a good avenue for Multinational corporations to thrive in the country					
3	The government have provided a favorable environment and security for the free flow of international trade					
4	The government does not see any future benefit of GSK`s in Nigeria					
<b>SECTION F: Integration of International and Indigenous business</b>						
		<b>SD</b>	<b>D</b>	<b>N</b>	<b>A</b>	<b>SA</b>
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1.	Integration of international and indigenous business help to build the strength of host country trade					
2.	Integration of international and indigenous business will improve technology					
3.	Integration of international and indigenous business will assist in providing free trade					

4.	Integration of international and indigenous business will affect infant industries in the host country negatively					
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