UGSM-Monarch Business School
Doctoral Dissertation Proposal

SMEs in Nigeria Oil and Gas Industry:
Challenges and Prospects

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1.0 INTRODUCTION

The Small and Medium Size Enterprise, “SME”, sector has for long been acknowledged as the engine of economic growth and catalyst for development in several countries (Ariyo, 1999; Day, 2000; Ihua, 2005). SMEs represent a key percentage of all businesses in most countries and play prominent roles in the area of wealth creation, provision of products and services, employment creation, improvement of better living conditions. SMEs contribute significantly to the GDP of both developed and developing countries.

The Nigerian Oil and Gas Industry since the early seventies has remained a major contributor to the economy accounting for over 80% of the country's export earnings and approximately 40% of its GDP. This has created an overwhelming dependence on oil but at the same time has made the Oil & Gas industry the backbone of the national economy. Several authors have discussed the role and significance of the industry to the nation’s economy acknowledging the position of the industry as the essential element of the economy (Agusto, 2002; Atakpu, 2007). With this in mind we see that servicing companies to this industry are also an important part of the national economy. It is estimated that about $15 billion is spent annually on servicing operations within the industry with this figure projected to increase over the next few years.

Since the beginning of the search for oil in Nigeria the sector has been dominated by large foreign owned corporations. These foreign owned and operated companies have essentially delivered all services within the industry including important subsidiary services which ordinarily and otherwise are typically delivered by local indigenous small and medium scale enterprises, i.e.: local SMEs. The important point to note is that the provisioning of subsidiary services in a vertically-integrated fashion by foreign parent companies has as a result given rise to capital flight and depletion of foreign earnings for the national economy on a whole.

With large foreign owned corporations dominating the local marketplace while also providing secondary services the local SMEs, which are described in macroeconomics development as being critical for national development, are left out. In fact, services provided by these local SMEs is estimated at less than 5%. In disregard of this important fact, commentators and researchers have continued focusing on the role and significance of the industry as a whole to the nation's economy acknowledging its position as the primary driver of the economy (Agusto, 2002; Atakpu, 2007).

Nevertheless, it is estimated that about $15 billion is spent annually on servicing operations within the industry while only a small percentage, less than 5%, of the accruable profit is available to indigenous oil servicing firms or allocated to developing Nigeria's industrial base. In fact, the majority of the amounts are paid to foreign firms for services such as: fabrication, EPC-engineering procurement construction, FEED-front end engineering design, conceptual designs and seismic studies. This results in capital flight as the profits from the contracts are repatriated abroad where most of the equipment is manufactured; thus further compounding the negative effects by providing employment opportunities for citizens of other countries. These countries typically being developed nations (Ihua, 2010).

Generally, it is believed among industry experts that the main reason for the above situation is that local indigenous firms lack the requisite skills, technical expertise, manpower, production capacity and capability to compete favourably (Aneke, 2002; Ariweriokuma, 2009; Ihua, 2010). According to Oladele (2001) low local content in Nigeria is due to several factors, being: 1. deficient capitalization arising from the tendency of Nigerian entrepreneurs to operate as ‘one man’ businesses; 2. capital and structural deficiencies associated with poor training and low managerial ability and, 3. the inability to attract funds due to lack of suitable collateral and positive corporate image.

Also, Olorunfemi (2001) and Ogiemwonyi (2001) articulate the problems of low local content to the inability of commercial banks to provide tenured loans to indigenous firms to execute projects; and to the inability of Nigerian firms to foster appropriate alliances and partnerships with foreign firms, stressing that these collaborations need to be facilitated by the government and the multinational oil producing firms, respectively. In their own contribution, Heum et al. (2003) summarized the reasons for low local content to include: low technological capacity; lack of funding from financial institutions; inadequate and incoherent policies/legislations; inadequate infrastructure; unfavorable business climate; lack of partnership between indigenous contractors and technically competent foreign companies (Ihua, 2010). As the above shows the arguments on both sides of the debate are well developed, however, it can be said that from a national resources standpoint local constituents will continue to feel a lack of social justice as a result of being by-passed if their own local SMEs continue to be effectively locked-out of the industry no matter the cause. From a political, economic and social standpoint the present situation begs further study in order to provide potential new solutions on how local SMEs might be included in the benefit stream of the industry as a whole in the future.

2.0 RESEARCH QUESTION

As mentioned earlier, SMEs play a key role in determining the economic state and transition in developing countries. In Nigeria, these firms typically account for more than 90% of all firms, outside the agricultural sector, and constitute a major source of employment while generating significant domestic and export earnings. With the volume of investment in the Nigerian oil and gas industry, it has been expected that the indigenous SMEs, generally understood to be a major catalyst in the general economic growth of the country, would have been major participants in the industry. However, this is not the case with most of the jobs and contracts within the industry being given to foreign companies. The aim of this research is to focus attention on the major factors and issues limiting the participation of SME's thereby discussing potential solutions and prospects for their inclusion within the industry. Therefore, the main research question of this dissertation is defined as:

Main Research Question:

> "What are the main challenges limiting the full participation of Nigerian indigenous Small and Medium Enterprises (SMEs) in Nigerian Oil and Gas industry?"

3.0 RESEARCH RELEVANCE

Historically, Nigerians have had very little share of the country's oil wealth owing to the structure of participation in the industry. There is therefore an urgent need to examine this trend in an effort to shed light on the nation's Oil & Gas economy while providing potential suggestions and solutions that would ameliorate the participation rate of local SMEs and thereby increase the perceived sense of social justice that would accrue to the nations constituents.

Several researchers (Ayozie, 2006; Ogujiuba et al, 2004; Ariyo, 1998; Ojo, 2009; Jimodu, 1998) have worked on entrepreneurship and SME studies in Nigeria with a few focusing on the Nigerian oil and gas industry. The contemplated research will attempt to identify and bring to the fore the major obstacles and challenges limiting the involvement of the indigenous SMEs in the upstream sector of the oil /gas industry and provide a reference for input into policy making and implementation.

4.0 CONTRIBUTION TO EXISTING KNOWLEDGE

A subject or field of knowledge advances due to the improvement or expansion of an idea over an existing body of knowledge. Though several research studies have focused on SMEs, their role and importance the present research will attempt to contribute significantly to the knowledge by examining the antecedents and challenges faced by the Nigerian SMEs in the upstream sector of the Nigerian oil and gas industry. This will be accomplished by studying:

- The major antecedents and challenges facing SMEs in the Nigerian oil and gas industry;
- The perspective of all government policies, schemes and programs of the IOCs aimed at improving or encouraging the local content in the industry;
- Expected role of Government in the development of SMEs and sustained participation in the industry;
- The prospects for the indigenous SMEs in the oil and gas industry

A further aim of the contemplated research will be to develop a model or industry framework that will identify the critical elements required to assist in the develop of local SMEs within the Oil & Gas industry. It is anticipated that such a framework will provide essential benefit to both the government and the private sector. It is further anticipated that such a framework may prove beneficial to tangential industries within Nigeria as well as Oil & Gas industries in other similar developing countries facing like challenges.

5.0 RESEARCH METHODOLOGY

The research methodology of the contemplated research will be mixed in nature. The research intends to focuses on collecting, analyzing, and mixing both quantitative and qualitative data in a single study. The choice of this methodology is premised on the assumption that the use of quantitative and qualitative approaches in combination provides a better understanding of research problem. It is not the intention of this research to make generalizations but instead focus on the immediate challenges and area under study and to uncover deeply held beliefs and understanding of the major participants within the industry. The purpose of the mixed method is to make descriptions of situations within the research area as a whole without generalizing. In the course of a qualitative research one or more objects are studied in depth in order to gain a deeper understanding of the problem studied. This can be done by questionnaires, interviews, direct observations among other techniques and is suitable in the case of describing and explaining a problem area (Yin, 1994).

Validity and reliability are two important criteria that can be used to determine the quality of a research (Mahoney & Goertz, 2006). In an attempt to increase the validity of this research, evidence and information will be collected from multiple sources otherwise referred to as triangulation (Yin, 1994). The subjects to be selected for this research shall taken from the ranks of entrepreneurs, SMEs owners, SME employees, financial institutions and employees, government agencies and internationally operating companies. Based on the influence of the selected subjects' on the activities of the SMEs they are considered the most suitable respondents as this will increase the validity of the research (Yin, 1994). The research methodology will rely on the following survey methods in a two-stage process:

- Stage 1 - Questionnaires: participants will be required to answer questions on demographic background and their understanding of the SME and Nigerian oil and gas industry in general. Their specific role as it affects SME and local content in the upstream sector of the oil and gas industry will also be required. The number of respondents in this survey group is expected to be over 100.
- Stage 2 - Interviews: Selected participants from Group 1 will undergo personal interviews of approximately 30 minutes using open-ended questions that probe for further understanding of the subject matter. The results of the analysis of the data obtained in Stage 1 above will be used to inform the line of questioning with the participants of Stage 2. The number of participants in this interview group is expected to be approximately 50 and will be randomly determined from the parent group of Stage 1.

The data obtained from the above field work will be coded using appropriate techniques that will insure anonymity of all participants. Digital recording and/or written transcripts of interviews will be kept by the researcher and submitted as original field data. Statistical research software such as SPSS and NVIVO will be used in order to fully analyze the data in obtaining the necessary insights.

6.0 LITERATURE REVIEW

As reiterated previously, SMEs have been acknowledged as an important tool for economic growth and development. This realization has led to the commitment of the World Bank group to the development of the SME sector as a core element in its strategy to promote economic growth, employment and poverty alleviation among the countries of the world. It is in this light that the bank approved approximately US $2.4 billion in 2004 in assistance to SMEs (Ayyagari et al, 2007). However, even though the importance of the SME sector is widely acknowledged the definition and classification of businesses into small, medium and large-scale categories has proven to be difficult as the classification schemes vary across national economies. According to Buckley (1989), the definition of small and medium scale enterprises varies according to context, author and countries. This fact has been responsible for the resulting subjectivity in classifying SME businesses.

In countries like the USA, Britain and Canada small-scale business is defined in terms of annual turnover and the number of paid employees (Ekpeyong and Nyang, 1992). In Britain for example, small-scale business is conceived as an industry with an annual turnover of 2 million pounds (US $3 million) or less and with fewer than 200 paid employees. In the case of Japan it is conceptualized as type of industry, paid up capital and number of employee. Consequently, Japanese small and medium scale enterprises are defined as those manufacturing outfits with 100 million yen (US $ 1.2 million) paid up capital and 300 employees. Those in the wholesale trade with 300 million (US $ 3.6 million) paid up capital with 100 employees while those in retail trade with 100 million (US $ 1.2 million) paid up capital with 50 employees (Ekpeyong and Nyang, 1992).

As the above shows, it is difficult to define SMEs other than to say they are companies with metric characteristics, usually being the number of employees or annual turnover, that fall below a certain threshold (Kozak, 2006). It is these indicators, like number of employees, assets and or rate-of-turnover that tend to define the context within which different countries and economies situate their understanding of SMEs (Oni & Daniya, 2012).

TABLE 1
Definitions of the Term "SME"

Organization / Country	No. of Employees	Turnover	Asset Base
Britain	200	2million GBP	
Japan	300	100million Yen	
USA	<500		
Uganda	5 - 50		
Kenya	<10 (Micro enter 11-50 (Small Enterprise) 51-100 (Medium Enterprise		
World Bank (since 1976)			Firms with fixed assets (excluding land) less than US$ 250,000 in value are Small Scale Enterprises.
Grindle et al (1989)	Less or equal to 25 permanent employees		fixed assets (excluding land) worth up to US$ 50,000.
USAID in the 1990s	less than 50 employees	at least half the output is sold	
UNIDO's Definition for Developing Countries4	**Large** 100+ workers **Medium** 20 - 99 workers **Small** 5 - 19 workers **Micro** < 5 workers		
UNIDO's Definition for Industrialised Countries	**Large** -500+ workers **Medium** 100 - 499 workers **Small** ≤ 99 workers		
Sources: (Ngobo, 1995; Stoner et.al, 1996; Kibera and Kibera, 1997; Mead, 1994,*).*			

That is to say, even though SMEs can be defined with the same basic indicators, the indicators used are not the same in all countries all of the time. Table 1 provides an overview of the definitional metrics from varying countries and organizations with respect to the term “SME”.

The lack of a universal definition for SMEs as identified above led to the European Union to adopt what is considered an acceptable universal definition for SMEs and micro businesses as companies with less than 250 employees and revenues not exceeding 50 million Euro (US $ 64.9 million) . In addition, the European Commission has specified terms of ownership that state that SMEs must be independent with less than 25% being owned by outside interest (European Commission; 2007). In a report on enterprises association Macqueen (2004) considered SMEs as enterprises employing 10-99 full time employees or with a fixed capital investment of US $1,000-$500,000.

It is also discussed that SMEs have a very limited and narrow context within which their operations are carried out (Kozak , 2007). They are definitely not transnational companies, multinational corporations, publicly owned enterprises or a large facility of any sort. However they can become a large business unit leveraging on business and ownership structure (Macqueen 2006). In most cases the financing of SMEs are directly borne by the owners or promoters through their savings, friends and families. However, ownership of the business can also take different forms including private, limited partnership, contract and sub-contracts, cooperatives or associations.

In Nigeria there has not been a clear definition or classification that identifies small and medium scale enterprises. However, the Central Bank of Nigeria in its monetary policies circular No. 22 of 1988 defined small scale industry as those enterprises which have annual turnover not exceeding 500,000 naira, or approximately US $3,175[1] (CBN; 1988). Similarly, in 1990 the Federal Government of Nigeria defined small scale enterprises for the purpose of commercial bank loans as those enterprises whose annual turnover does not exceed 500,000 naira (US $3,175) and for merchant bank loans as those enterprises with capital investment not exceeding 2,000,000 naira (US $12,700) excluding the cost of land or a minimum of 5,000,000 naira, or approximately US $31,750.

6.1 SMEs IN NIGERIA

The role of SMEs as a pivotal instrument of economic growth and development in different economies irrespective of the status of developed or developing economies cannot be over emphasized. This importance has been confirmed by several studies in the SME sector (Ogujiuba; et. al 2004, Onugu; 2005, Ihua; 2009). Also available data and information from the federal office of statistics in Nigeria affirmed this importance when it revealed that approximately 97 percent of enterprises in the country are SMEs and that they employed an average of 50% of the working population as well as contributing up to 50 percent of the country's industrial output. According to Ariyo (1999) and Ihua (2009), SMEs in Nigeria are not only a catalyst

[1] Naira exchange rate of 28-Nov-2012 being used for all US dollar conversions. Source www.xe.com

for economic growth and development but they are also considered the economic bedrock of the nation since they provide the economic foundation for most of the participants within the economy.

Historically, the existence of small business activities in Nigeria dates back to the pre-colonial days with individuals getting involved in small businesses or trade in order to earn a living. However, conscious effort by Nigeria as a nation to develop SMEs as a vehicle for economic and national development started in 1970-1979 when Nigeria adopted the policy of indigenization through its implementation of the national development plan. The development plan articulated the need for the Nigerian economy to be self-reliant through industrialization, entrepreneurial development employment generation and development through increasing export trade. (NDP, 1970)

Since the 1970s, the federal government of Nigeria identified SMEs as the key area of intervention. The intention was to reduce the dominance in the economy of international operating companies and to stimulate SMEs that would enhance the capacity of local companies and create indigenous investors that could be potential players in the drive for the nation's economic growth and national development. In its intervention effort the government promulgated different acts and regulations at different times to ensure the protection of SMEs. Some of the regulations include Nigeria Enterprises Promotion No. 3 of 1977, Patent Right and Design Act No 60 of 1979 Custom Duties, dumped and subsided goods Act No. 9 of 1959, Industrial

Promotions act No. 40 of 1979, Industrial development Tax Act No. 2 of 1971, among others (Alawe, 2004). In addition to the acts and enabling laws promulgated by the government to support and protect SMEs other investment policies institutional and fiscal policies, protective business law and financial incentives considered to be favourable to the SMEs were established by the government to encourage national development and indigenization policy where small and medium enterprises are considered the main driver. To realize these policies, several micro financial and lending institutions were established to improve the capacity and development of SMEs. The institutions include the Nigeria Bank for Commerce and Industry (NBCI), the National Economic Reconstruction Funds (NERF), the Community Bank (CB), the National Export and Import Bank (NEIB) and the People`s Bank of Nigeria (PBN). Also the creation of special funds and liberalization of the banking sector to enhance the banking institutions for effective participation in growth and capacity building of SMEs was completed. (Ogujiuba; et. al 2004).

6.2 OIL AND GAS INDUSTRY IN NIGERIA

Exploration and discovery of oil in Nigeria is credited to a British businessman, John Simon Bergheim who in 1906 embarked on a geological survey and study of southern Nigeria and advised the Colonial authorities that based on his knowledge of the regions geology that Petroleum existed in the area. Following this, the Nigeria Bitumen Corporation owned by Mr. Bergheim received the monopoly on prospecting rights in Nigeria. In an effort by the colonial administration to encourage the company to explore for crude oil in Nigeria a loan was advanced to the company. In a span of approximately six years the company had spent 143,000 pounds to sink about fifteen exploratory wells in southern Nigeria but without success. The search suffered a further setback when John Simon Bergheim died in last quarter of 1912. Thus, the very first attempt to discover oil in Nigeria came to a halt in mid 1913. The resumption of exploration would not take place for another 25 years.

The exploration and search for crude oil resumed in 1937 by the Anglo-Dutch company Shell BP. The company received a concession for the entire country. The company's initial efforts did not yield any appreciable result after having spent 16,296 pounds between 1938 and 1939 to drill seven wells at Owerri and did not succeed in producing crude oil until in 1951 when it drilled its exploration well 1 HUO-0-1 and a second one AKATA-1 with marginal gas. Another thirteen additional wells from 1953 to 1955 were drilled with no appreciable results. The effort of Shell BP finally paid off when it struck its first onshore commercial well in large quantities at Oloibiri in the present day Bayelsa state in the Niger Delta. The company subsequently invested over 300,000 pounds in the well which subsequently led to the first crude oil exports from Nigeria on 17th February 1958.

Following this success and subsequent interest in the exploration activities from other companies the sole concession earlier granted to Shell for the entire country was reviewed in 1959 to accommodate other foreign oil multinationals. At this juncture, foreign exploration companies were invited from all parts of the world to invest in the developing Nigerian Oil and gas industry. This review led to the introduction of other companies, including: ELF, Chevron, Mobil and AGIP which gave rise to other discoveries namely the Elf Obagi and Obite gas (onshore) fields. On December 8, 1963, Chevron discovered its first crude oil which turned out to be its first offshore crude export to the world market on 1st April, 1965. Since these early discoveries, Nigeria has grown in the reserve and production of Oil & Gas achieving its current position among the group of oil producing nations.

6.3 SMEs IN NIGERIA OIL AND GAS INDUSTRY

Nigeria has proven crude oil reserves of approximately 25 billion barrels and 166 trillion cubic metres of natural gas. It is estimated that the country has realized over US $600 billion since 1956 when it first discovered oil in commercial quantity in Oloibiri (Atakpu, 2007, Ihua, 2010). Apart from the large reserve of crude oil and natural gas Nigeria also boast sizeable deposits of other mineral resources including gold, tin, gemstones, kaolin, bitumen and iron ore which can be harnessed to earn foreign exchange. However, oil and gas currently remains Nigeria’s main revenue base (Adebola *et al*. 2006). It is important to note that the Nigerian government earns revenue from oil and gas through the sale of crude oil and gas based on: 1. JVs-joint ventures; 2. the Petroleum Profit Tax (PPT), and; 3. Royalties and rent from industry partners and operators (Agusto, 2002; Agusto, 2004; Obasi, 2003). However, despite being a major oil producing country for decades and accruing huge revenues from oil Nigeria is still ranked as one of the poorest countries in the world (Ihua, 2010).

Also, the perceived lack of equitable distribution of the oil wealth and environmental degradation resulting from exploration activities have been identified as key factors aggravating actions from environmental rights groups, inter-ethnic conflicts, and civil disturbances from ethnic militias such as the Movement for the Emancipation of the Niger Delta (MEND) and the Niger Delta Vigilante Force (NDVF) (NDDC, 2005, Ihua, 2010). It is expected that in a region where enormous wealth is being generated, without the appreciable effort of adequate distribution of that wealth or the positive impact on the citizenry, one can argue that there is bound to be crises.

Academically, there are theories and propositions that explain the connection between natural resources and civil conflicts, such as: ‘grievance’ theory (Gravin and Hausmann, 1996); ‘weak states’ theory (Fearon and Laitin, 2002, Karl 1997; Mahdavy, 1970); ‘separatist incentive’ hypothesis (Ross, 2003; Collier and Hoeffler, 2002, and Le Billion, 2001); and ‘looting’ hypothesis (Collier and Hoeffler, 2002). Utomi (2003) as cited in Ihua (2010) argued that similar to the case of Botswana, the government of Nigeria should create a ‘Future Fund’ into which the country would make mandatory deposits of all revenue earned above $15 per barrel of crude oil. That is, if Nigeria is to make progress, it must forget that it earns oil money and focus on the development of other available resources for the stimulation and sustenance of the economy. Currently, there is a special wealth fund opened though there are still legal issues surrounding the legality of the government action in this regard. Apart from these oil wealth issues, there is also the issue of capital flight, in the form of funds used in servicing the industry’s operations. (Okolo, 2006).

As mentioned, since the inception of the industry participation by indigenous companies and especially SMEs has been very low. In most cases where the indigenous companies are involved they are reduced to providing minor services like the provision of unskilled labour or cleaning and other non-consequential activities which constitute less than 5% of the overall industry budget. In order to reverse this, the federal government of Nigeria introduced a local content policy in the oil and gas industry in 2000. The main trust of the policy is to enhance the participation of local indigenous firms and to use them as a tool for transforming the industry through the development of in-country capacity and indigenous capabilities in manpower development, facilities and infrastructure. (Lawal, 2006; MacPepple, 2002 and Nwapa, 2007). Also, the local content policy is meant to reform the industry into an economic hub for promoting higher SME participation, job creation and a base for industrial growth as well as for counter-acting the flow of capital from the country (Binniyat *et al*, 2008; Chukwu, 2005 and Gilbert, 2007).

The SME sector has for long been recognized as the economic generator and catalyst of economic growth and development in several countries (Ariyo, 1999; Day, 2000; Ihua, 2005). SMEs constitute a major proportion of all the business activity in most countries and play salient roles in the area of wealth creation and distribution through job creation, provision of products and services, improvement of living standards and contribution to the GDP of both developed and developing countries.

Nonetheless, the literature is replete on studies linking entrepreneurship with economic growth as well as associating the pace of entrepreneurship development with government policy, (Ihua, 2010). Researchers have focused on what have been termed "entrepreneurial environments", referring to certain factors that influence the willingness in individuals to engage in entrepreneurial activities and business start-ups, (Ihua 2005). These factors include: the availability of legal and institutional frameworks, organized markets, skilled manpower, experienced entrepreneurs and the personal possession of certain skills, traits and motivation. The availability of favourable government policy has also been identified as a critical factor to entrepreneurial development, (Frese and De Kruif, 2000; Gnyawali and Fogel, 1994; Wennekers and Thurik, 1999, Ihua 2010).

It can be argued that the local content policy would promote higher participation of SMEs within the industry and subsequently enhance value addition to the nation. According to Heum *et al.* (2003), there exists several opportunities in the industry, through which small firms can seek participation and contribute to economic growth, such as: 1. fabrication and construction; 2. well construction and completion; 3. modification, maintenance and operations; 4. transportation; 5. control systems and ICT; 6. design and engineering; and 7. consultancy.

7.0 RESEARCH PLAN

The research is to take place over a 36 month period with the preparation of questionnaires and administration of interviews, to take place over a six months period. Questionnaires will be forwarded to the participants in their preferred locations through online and post depending on the participants' preference and returned through the same means over a period of three months. The participants will be selected from different institutions across the six geopolitical zones of Nigeria. Follow up interviews take place over a period of three months. Interviews will be conducted in person or over the phone depending on the location or preference of the selected participant. Interviews will be focused on the executives of the government agencies, financial institutions, and selected SMEs.

8.0 RESEARCH SCHEDULE

Table 2 illustrates the overview of the estimated time frame for the completion of the contemplated research:

Table 2
Research Schedule

Date	Milestone
August 2011- October 2012	Preliminary Literature Review
November 2012	Submission and approval of research proposal
August 2012 – December 2012	• Literature Review: History, SME development in Nigeria, SME in Nigerian oil and gas industry, etc. • Development of questionnaires, interview questions etc.
January 2012 - March 2013	Finalization of Questionnaire / Interview design and data collection • Administering questionnaires, • interviewing participants
April 2013 - July 2013	Follow up interviews and clarifications of issues from returned questionnaires
August 2012 - December 2013	Final Literature Review & Data Analysis
January 2014 - April 2014	Manuscript writing Chapters 1,2 & 3
May 2014 - August 2014	Manuscript writing of Chapters 4,5, & 6. Perfecting of Manuscript.
August 2014	Final Submission to Committee

The above represent the best estimate of the scheduling of the stages of the research, however, due to unforeseen events the schedule may be rearranged or extended to fit circumstances.

9.0 RESEASRCH BUDGET

Table 3 illustrates the estimated budget needed to carry out the contemplated research. The funds will be sourced privately by the researcher and will not require any grant or scholarship to complete the research. The total amount required for the research is estimated to be approximately US $11,800. No extra supervisory costs or other charges are being requested from UGSM-Monarch Business School Switzerland. The present research is fully funded and may commence immediately.

Table 3
Dissertation Research Budget

Item	Cost (USD)
Conferences	2,500
Hotel accommodations	1500
Travelling and logistics	3000
Long distances costs	500
Reproduction expenses-Questionnaires	600
Reproduction –dissertation report	700
Software and Recording	2000
Miscellaneous supplies & other cost	1000
Total cost (Estimate)	**11,800**

The above cost estimate represents in general terms the expected cost in the course of the research. It is most likely that cost will vary over the period. Any additional cost as a result of the unexpected variation will be borne by the researcher.

10.0 RESEARCH PROPOSAL APPROVAL

The anticipated research as proposed in this document has been approved by the University and the student may commence the research immediately. The student shall not deviate from the proposed research except where such is approved by the Supervisor and University in writing.

Dr. Jeffery HENDERSON, D.Phil.

Approved by the University
in Zug-Switzerland:
29-November-2012

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