

TECHNOLOGICAL INNOVATION AND ITS IMPACT ON BUSINESS ACTIVITY IN NIGERIA

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Introduction

Technological innovation can be defined as comprising activities that contribute to the research, development and design of new products, services or techniques, or to improving existing products, and generates new technological knowledge [1] regarded the process of technological innovation as sequential and central to an understanding of economic growth [2]. It is widely accepted that innovation is a vital driver of economic growth and development [3]. This impact has been felt on every segment of business activities in the country which has led to new products and services with improvement of quality and lower of production cost. This has consequently led to the wide range of adoption of information and communication technology products and processes in virtually every facet of human interaction.

Nigeria has the second largest number (55) of technological hubs in Africa, wherein Lagos is the city with the largest number of technological hub ecosystem in Africa, ahead of Cape Town and Nairobi, a 2018 GSMA report confirmed[4].With over 440 active technological hubs in Africa, Lagos alone accounts for (31) tech hubs, leading Cape Town (26), and Nairobi (25), making it Africa's city with the largest cluster of technological hubs.

Impact of Technological Innovation on Business Activity in Nigeria

Technology has impacted several sectors of the Nigerian business sphere. However, we shall examine the impact of technological innovation on three [5] critical sectors of Nigeria's business: The workplace, agriculture and the banking section.

1. Work place.

Workplaces were known to be congested with a lot of files and paperwork needed for daily operation which inadvertently made the work space untidy. Meetings had to take place in rooms with everyone concerned needing to be physically present, heavy expenses were incurred to reach out to clients and communication across different hierarchical levels was pretty rare[5]. However, following the gains of information and communication technology over the past decade, operations in the work place has been greatly simplified which has helped a lot of businesses run their affairs smoothly; optimize time management with improved performance [5].

Many Nigerian startup companies now use applications such as Whatsapp, Zoom, Skype etc for conducting meetings and video conferencing eliminating the need for securing physical meetings/conference rooms and the barriers caused by differences in location and times zones. Software products such as Google Docs, Microsoft Office Packages, Sales force and many other business applications are heavily relied on in the operational day to day activities of many Nigerian businesses.

2. The Agricultural Revolution.

One notable sector of technological innovation in Nigeria is the agricultural sector. Pre-colonial Agriculture was mainly done with crude tools. Farmers were too poor and had little or no access to credit facilities to purchase fertilizers and other products to boost farming productivity. Hence, the Nigerian agricultural sector was largely subsistence based. One notable issue was the distribution of fertilizers which was plagued by racketeering. The Minister of Agriculture and Rural Development, Dr. Akinwumi Adesina, lamented that between 1980 – 2010, the Federal and State governments had spent over N873 billion naira on fertilizer subsidies. However, N776 billion were lost to corruption and fertilizer racketeering [6]. As a way of curbing corruption, racketeering in fertilizer distribution and revolutionizing the agricultural sector in Nigeria, the FG in 2011 initiated a Growth Enhancement Support Scheme (GESS) to actualize the Agricultural Transformation

Agenda (ATA) [6]. The program was based on the use of an e-wallet technology to allot government subsidies, fertilizers, improved seeds, agrochemicals and good farming practices to Nigeria. The deployment of information and communication technology (ICT) in addressing the challenges facing the agric sector recorded remarkable success. Within five (5) years, an average of six million (6,000,000) farmers were served with government, fertilizers annually. The program has far been internationally recognized as a successfully implemented e-wallet platform [7].

3. Banking and Finance.

Technology has permeated into Nigeria's finance systems bringing about changes in the functionalities of the financial industry. IT and e-banking have now become the key elements for strengthening the competitiveness of the national economy and improving the productivity and efficiency of both private and government banks [8]. E-banking is now the common and largely preferred way of banking for customers. Electronic Banking is described as the act of carrying out the business transaction of a bank using electronic devices [8]. Innovation in ICT has made banking transactions such as e-payments, funds transfer, ICT integrated projects, electronic mail updates to customers, banking automated clearing services and other various FinTech functionalities possible through the use of these devices. Banking halls are now depopulated with customers hardly having the need to visit the bank to fulfill bank transactions. Keeping up with current development trends, competing amongst peers, and meeting up with the demand for quick, efficient and reliable services by customers and industry players require that Nigerian banks respond by investing and deploying technology as a means of developing business models and providing products and services suitable for various categories of customers [8].

Conclusion

There is no denying that IT has changed the way business operations are conducted in Nigeria, with many organizations relying on IT to enhance their operations, and reduce cost. It is a common thing for business to have a website and mobile applications as a means to extend their services, resolve issues and promote

the quality of service delivery. Every business is expected to have a business page on social media platforms such as Facebook, Twitter, Instagram, etc where they disseminate information and interact with the general public. Nigerian banks through technological innovations has been rapidly transformed from being just a bank to a one-stopshop financial solutions provider.

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