Exploring the potentials of ICT enabled co-creation platform for SMEs in Ikeja ICT cluster, Lagos

A research agenda

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Agenda

- **☐** Overview of Concept
- **☐** Research Objectives
- ☐ Background/
- ☐ Research Question
- □ Methodology & Research Design
- **□** Expect Contribution





Overview

- ☐ Growing ICT & SME sector in emerging markets (Nigeria)
 - In Nigeria, SMEs account for some 95% of formal manufacturing activity and 70% of industrial jobs.
 - They employ an average of 50 percent of the working population as well as contributing up to 50 percent of Nigeria's industrial output
- ☐ SMEs have compelling growth potential in Nigeria
- ☐ ICT sector is seen as key sector for Vison20 2020

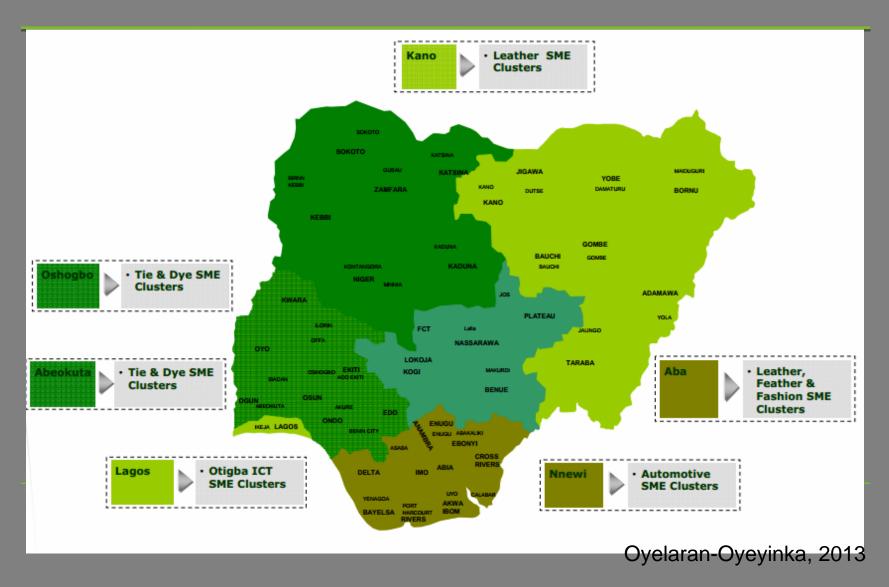
http://www.cbn.gov.ng/

Some General Issues

- ☐ Inadequate and inefficient infrastructural facilities, which tend to escalate costs of operation for SMEs
- □ Lack of adequate funding/credit for SMEs: bankers committee intervened in 2001 with a scheme themed "Small and medium industries Equity Investment Scheme" (SMIEIS)
- ☐ Complexity of innovation processes & vulnerability to MNCs
- ☐ Consumers of the digital era

(Mambula, 2002)

SME clusters by industry



Objective

- ☐ Investigate the role of ICT in inter-firm networks and dyadic relationships
- □ Potential for ICT-sector specific open innovation platform
- □ Possibilities and critical factors for organizing the ICT cluster as smart community of co-creators who are reliant on each other for process, product and market innovations
- ☐ Pilot platform with in the lkeja ICT cluster

Research Question

- ☐ How can the Ikeja ICT cluster be organized as smart communities of co-creators?
- ☐ What are the potentials and competitive landscape for cocreation innovation in Ikaja ICT cluster?
- ☐ How can the SMEs utilize an ICT platform for open innovation and network relationship to overcome emerging market country liabilities and the liabilities of smallness?

_iterature background

- ☐ The existing literature has consistently emphasized the importance of SMEs as major vehicle for generating steady economic and innovation flow which is essential for sustainable economic and social revitalization (Floyd & McManus 2005; Ayyagari et al., 2007)
- □ Due to resource constraints, small businesses face diverse barriers to creating and maintaining innovative capacity, resource generation and international expansion (Ruzzier et al., 2006; Phelps, 2010; Rese & Baire, 2011, p. 138).
- ☐ Therefore, SMEs rely on different external network alliances in order to augment their resource incapacity (Street & Cameron, 2007; Shamsuddoha et al., 2009; Torkkeli et al., 2010).

□ Even-though the recent years have seen enormous growth in collaborative innovations; however, majority of SMEs in the emerging markets are especially disadvantaged due to several factors including "emerging market liabilities and the liabilities of smallness"

☐ Firms that figure out the best strategy to leverage collaborative network systems are the ones that will lead the innovation frontiers in these emerging markets (Rese & Baire 2011)

☐ Complexity, high costs and shorter commercialization circle

☐ The information and communication technology sector is among the most fast-paced sectors in terms of the speed of commercialization and dissemination of innovations. ☐ ICT sector complexity of innovation processes has led to growth in the small-businesses' usage of external networks in their innovation process. Positive relationships between inter-firm cooperation and innovation performance of entrepreneurial firms especially within the ICT sector (cf. Mohannak, 2007; Todd & Javalgi, 2007).

Specific problems

- Most of the existing CRM and cloud-based project management platforms are not suitable for many emerging markets
- ☐ Popular social media platforms are not suitable platforms for inter-firm collaboration
- □ Poor investment in own platforms
- ☐ Difficulty in inter-firm collaboration

Methodology & Research Design

- ☐ Qualitative reseach
 - \Box Video-interviews with a random sample of 10-20 SMEs
 - ☐ Co-creation of platform/UI
 - ☐ Pilot test with a different sample group

Expected contribution

- a) bridging the gap in literature in the area of emerging market's ICT firm's inter-firm network relationships for innovation creation and dissemination using a digital cocreation platform.
- b) b) Inter-firm collaborations influencing rapid successful internationalization?
- c) Development of a typology of inter-firm networks dynamics within the ICT sector in the emerging markets perspective.
- d) Contribution towards managerial implication is inevitable. The results may help owners-managers of small-to-medium-size ICT firms towards a strategy fit for harnessing full potentials of inter-firm collaboration in developing and sustaining innovations both for the local market and for internationalization.

