

LOCAL CONTENT POLICY AND SUSTAINABILITY OF INDIGENOUS ENTREPRENEURSHIP OF OIL AND GAS FIRMS IN SOUTH-SOUTH, NIGERIA

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Abstract: The study evaluated the Local Content policy and Sustainability of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria. The specific objectives were to: examine the relationship between the procurement of local materials and operational safety and assess the nature of the relationship between job creation and the maintaining costs of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria. The study used the descriptive survey design approach. The primary source of data was the administration of the questionnaire. A total population of 1,033 entrepreneurs was used. The sample size of 288 was determined using the Taro-Yamane formula. Two hundred and seventy-four (274) returned the questionnaire and accurately filled it. Data was presented and analyzed using the Likert Scale and the hypotheses using Z - the test. The findings indicated that Procurement of local materials had a significant positive relationship with operational safety, $Z(95, n = 274), 6.645 < 10.935, P. < .05$. Job creation had a significant positive relationship with the maintaining costs of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria, $Z(95, n = 274), 8.367 < 11.086, P. < .05$. The study concluded that Procurement of local materials and Job creation had a significant positive relationship with operational safety and maintaining costs of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria. The study recommended among others that the management of Oil and gas should ensure effective material procurement to reduce the chances of disruptions due to shortages within the supply chain.

Keywords: Content, Entrepreneurship, Indigenous, Local, policy

1.1 Introduction

The oil and gas sector in any economy plays a prominent role in the general activities of citizens residing in the country. Nigeria is not an exception. Owing to its significance in the general welfare of the economy, it is imperative to give serious attention to issues that concern this sector. The Nigerian oil and gas sector is known to be complex as it involves numerous players (manufacturers, national regulators, wholesalers and retailers, government ministries and other stakeholders). This means that there is need for these stakeholders to put in additional effort to create an enabling environment to exploit the full potentials of the sector (Obukhowo,

Olele and Buzugbe, 2018). Nigeria's oil and gas industry has long been a cornerstone of the nation's economy, driving significant growth and development. International oil and gas firms have played a central role in the exploration and exploitation of resources within the country. Despite the substantial economic benefits derived from these activities, there is a growing recognition of the importance of increased local participation and content in the sector (Hansen, 2020).

The oil and gas industry plays a vital role in promoting public welfare by ensuring access to safe, effective, and affordable movement. In Nigeria, like many other developing countries, there is a growing recognition of the importance of local content strategies to enhance the sustainability of the oil and gas industry (Dong & Mirza, 2016). Local content strategies drive the growth of local entrepreneurship in the oil and gas value chain. The gains from growing local entrepreneurship are numerous – more accessible workforce, greater cost savings, and an opportunity to invest in the next generation of African professionals.

(Elumelu, 2016) Argued that in the absence of investment in technology and required finance to drive growth in the oil and gas sector, Nigeria is left with only the option of building capacity and capability in the technicians, operators, and administrators for all the various industries in the oil and gas sector.

To ensure the long-term sustainability of the oil and gas industry in the south-south region, collaborations and partnerships with international oil and gas companies are crucial. These partnerships facilitate technology transfer, knowledge exchange, and capacity building. They enable local oil and gas companies to acquire advanced manufacturing technologies, quality control standards, and research capabilities. By leveraging these partnerships, the region can enhance its competitiveness, maintain high-quality standards, and stay abreast of global advancements in the oil and gas industry (Oguejiofor & Eze, 2020). Moreover, collaborations and partnerships with international oil and gas companies have played a significant role in technology transfer and knowledge exchange. These collaborations facilitate the transfer of technical expertise, quality control standards, and manufacturing best practices. They also provide opportunities for capacity building and training, contributing to the growth and sustainability of the local oil and gas industry in the south-south region (Obi et al., 2019). Based on this, the study aimed at evaluating the in Local content policy and Sustainability of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria.

1.2 Statement of the Problem

Local content policy of oil and gas firms refer to the approaches adopted by foreign oil and gas companies to promote and support local manufacturing, research, and development activities in the countries or regions where they operate. These policies are aimed at fostering domestic capabilities, creating jobs, driving economic growth, and addressing healthcare needs within the local market.

It has been observed with dismay that Local content policies, which are generally protectionist and discriminatory, have had mixed results in various economies around the world: being effective in growing fledging industries in developing economies, but in some cases serving the interest of few or creating a distortion in an economy where wrong sectors or outputs are protected. This heavy dependence on imports poses challenges such as limited access, high

costs, lack of job creation and procurement of local materials, and vulnerability to supply chain disruptions.

The consequences of these, if not addressed will lead to the challenges of poor operational safety and high maintaining costs of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria. Based on this the need to study Local Content policy and Sustainability of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria.

1.3 Objectives of the study

The main objective of the study was to examine the Local Content policy and Sustainability of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria. The specific objectives were to:

- i. Examine the relationship between frequency of procurement of local materials and level of operational safety of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria.
- ii. Access the nature of the relationship between job creation and the maintenance cost of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria

1.4 Statement of Hypotheses

The following hypotheses guided the study.

- i. Procurement of local materials has relationship with operational safety of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria.
- ii. Job creation has relationship with the maintaining costs of indigenous entrepreneurship of oil and gas firms in South-South, Nigeria

Review of Related Literature

2.1 Conceptual Review

Local content

Local Content (LC) refers to a deliberate approach and set of actions aimed at developing domestic capacity and fostering a sustainable culture of service quality. The goal is to exceed customer expectations and meet international standards through the active involvement of indigenous personnel and management (Obuaya, 2005). The overall objective of Local Content Policy is to establish a framework that ensures the construction of local competencies, meeting globally accepted standards, by actively engaging Nigerians and utilizing local resources, raw materials, and activities related to the pharmaceutical industry. Local Content initiatives have several benefits, including driving employment, enhancing local skills, transferring technology, promoting research and development, and generating wealth within the industry. However, these initiatives require a demonstration of capacity in equipment, personnel, and other aspects related to contract handling.

Local content Policy

The Nigerian Content Act of 2010 defines the concept of local content policy as the value added or created in the Nigerian economy through the deliberate utilization of Nigerian human, material resources, and services in the oil and gas industry. The policy aims to promote the participation of indigenous oil companies, create local employment opportunities, and stimulate the use of locally produced goods and services in the sector. Implementing the local content

policy is seen as a means to generate further benefits from the country's resources for the domestic economy (Adedeji, Lawan, and Sidique, 2017).

Procurement of local materials

Material procurement is a vital component of logistics operations. It entails evaluating different suppliers and making informed decisions to ensure the purchase of materials that meet the required quality, quantity, timing, pricing, and source criteria (Chand, 2016). Due to its technical nature, material procurement demands specialized expertise (Ibegbulem and Okorie, 2015). The process of material procurement involves identifying, defining, and describing the needs, vendor evaluation and selection, placing orders, receiving and inspecting the supplied goods, auditing invoices, and closing the order (Ayoade, 2004). Hines (2004) emphasizes several critical factors for successful material procurement, including price, quality, quantity, vendor capability, vendor reputation, lead time, and sales offerings. These factors directly and indirectly impact project outcomes. Additionally, specific logistics factors affect material procurement in construction projects.

Job creation

Job creation refers to the process of generating employment opportunities and increasing job numbers within an economy. It is a crucial component of economic development as it helps reduce unemployment rates, enhance living standards, and drive overall socio-economic progress. In the context of the pharmaceutical industry in Nigeria, the development of locally produced goods holds significant potential for job creation. In the context of the Oil and Gas Industry in Nigeria, the engagement of local companies and execution of jobs locally holds significant potential for Job creation. Such Jobs as Engineering, procurement, installation and construction (EPIC) provides valuable opportunities for engagement and employment of local workforce. While the primary focus of healthcare companies is to provide quality health services and medicines, they also contribute to expanding economic opportunities through job creation, training and capacity building, and influencing public policies in developing nations.

Sustainability

Sustainability is commonly described as a three-dimensional concept, encompassing environmental, social, and economic sustainability. Environmental sustainability focuses on the impact of human activity on the ecosystem's capacity, including materials, energy, land, and water (Olawumi and Chan, 2018). Social sustainability involves promoting the well-being of individuals while balancing the needs of the group and ensuring equity. Economic sustainability emphasizes the efficient use of resources to enhance operational profit and maximize market value. Barkemeyer et al. (2014) highlight that organizations play a crucial role in the economy, contributing to national growth. Therefore, their support and commitment are essential for achieving long-term sustainability targets and improving overall sustainability performance. Since the release of the Brundtland report in 1987, the concept of sustainability has gained traction in organizational contexts. However, there is no widely accepted definition of organizational sustainability, and it is often conceptualized as the application of sustainable development principles in organizational operations.

Operational safety

Operational safety is described as the absence of unacceptable risks, injury, or harm to human health, whether direct or indirect, caused by damage to equipment or the environment. Operational safety is defined as the absence of unjustified risk due to the occurrence of hazards caused by functional deficiencies of the intended functionality (Law, 2023). A risk analysis identifies how operational safety will ensure effective protection against any potential risks. Safe Work Procedures are established safety instructions for procedures and tasks that ensure workplace activities are completed safely. All activities must follow these standards. Without these protocols, mishaps and injuries would be the norm (Mark, 2023). Operational safety is thus dependent on the proper operation of a global system or equipment in response to system or equipment events.

Maintenance costs

Maintenance costs encompass the expenses incurred by an organization to preserve, repair, or sustain the functionality and reliability of its assets, equipment, or infrastructure. These costs play a crucial role in the operational efficiency and overall budget of an organization (Chan, & Dillon, 2000). Maintenance impact on business performance aspects such as productivity and profitability has increased. A day's output lost because of an unplanned stoppage will never be recovered without additional costs being incurred, e.g. overtime working. The importance of the maintenance function has increased, due to its role in keeping and improving availability, performance efficiency, quality products, on-time deliveries, environment and safety requirements, and total plant cost effectiveness at high levels (Uforo, Usoro and Baridam, 2022).

2.2 Theoretical Review

The study was guided by Institutional theory and Triple Bottom Line Theory (Elkington, 1998)

Triple Bottom Line Theory (Elkington, 1998)

The Triple Bottom Line (TBL) theory is closely related to organizational sustainability as it provides a comprehensive framework for organizations to consider social, environmental, and economic aspects in their operations and decision-making processes. By incorporating the TBL approach, organizations aim to achieve sustainable outcomes that balance the needs of people, the planet, and profits (Elkington, 1998). By adopting sustainable practices and strategies, organizations can contribute positively to society, minimize their ecological footprint, and enhance their long-term viability. Furthermore, the TBL theory aligns with the concept of local content strategies, which focus on maximizing the positive impact of organizations on local economies and communities. Local content strategies aim to ensure that organizations prioritize local job creation, supplier engagement, and community development. By implementing such strategies, organizations can contribute to the socio-economic well-being of the regions in which they operate.

The TBL theory supports local content strategies by advocating for the consideration of social aspects in organizational decision-making. By prioritizing local employment and supplier engagement, organizations can create sustainable value chains and promote economic development within local communities. This approach fosters social inclusivity, reduces income inequality, and strengthens the overall social fabric of the region. Furthermore, local content

strategies often incorporate environmental considerations by encouraging organizations to source materials locally, reducing transportation emissions and supporting local sustainable practices. By aligning with the environmental pillar of the TBL, organizations can minimize their environmental impact and contribute to the preservation and sustainability of local ecosystems.

Institutional Theory (Meyer and Rowan, 1977)

Institutional theory also emphasizes the role of stakeholders in shaping organizational behavior and sustainability practices. Stakeholders, including employees, customers, communities, and shareholders, often have diverse interests and expectations regarding sustainability. Organizations need to engage with stakeholders, understand their concerns, and incorporate their perspectives into decision-making processes to maintain legitimacy and social acceptance (Oliver, 1991). In summary, institutional theory offers insights into the influence of external institutional pressures on organizational behavior and sustainability practices. It highlights the importance of organizations conforming to institutional norms and values to gain legitimacy and social acceptance. By aligning with sustainability expectations and engaging stakeholders, organizations can enhance their long-term sustainability and contribute to addressing societal and environmental challenges.

2.3 Empirical Review

Abdulkadir, Gidado, Muhammad, Anas, and Kunya (2020) investigated the impact of procurement procedures on the cost performance of Nigerian construction projects. The study employs a descriptive and exploratory design method. Data were acquired by distributing 100 questionnaires using accessible sampling strategies. Data analysis methods include mean scoring, regression, and ANOVA analysis. Major findings show that more than half (50%) of available procurement methods are primarily used in the study area, and the top procurement methods with high impacts on cost performance are project management and direct labor procurement methods, which contribute more than 38% to cost performance in building projects. The results of hypothesis tests with p-values greater than the specified significance threshold (0.05) validated that there was no significant variation in stakeholders' perceptions of the extent of use of procurement methods. As a result, the study indicated that project management and direct labor are the most acceptable procurement strategies for ensuring successful project completion at the specified cost in Nigerian building projects.

Onwuka (2021) investigated supply chain management tactics used by international oil and gas corporations in Nigeria to improve local content in their processes and products. Participants included eight supply chain managers and business leaders from global oil and gas corporations, as well as the Nigerian Content Development and Monitoring Board, which is responsible for local content development. Semi-structured interviews and secondary documents such as annual plans and performance reports were used to obtain data. The data was analyzed using thematic analysis. Three topics emerged: business value drivers for local content development, overarching local content development strategies, and local content development monitoring and measurement. Supply chain managers should record precise and simple business value drivers when selecting and implementing local content development initiatives, according to key recommendation. Positive social change implications include the likelihood of greater job

creation, which might result in a large drop in the unemployment rate and accompanying youth restiveness in the Nigeria Niger Delta region.

Emumena and Hamilton (2022), conducted a study on the relationship between market innovation capability and performance of indigenous oil and gas companies in South-South, Nigeria. The study adopted the cross-sectional research survey design. Primary data was generated through structured questionnaire. The population of this study was thirty-three (33) registered and functional indigenous oil and gas companies in South-South, Nigeria. In this study the researcher adopted a census sampling technique to study all the 33 indigenous oil and gas companies in Rivers State because the population was small. However, preliminary field survey revealed that there are at least five (5) employees in each of the indigenous oil and gas companies in Rivers State. The reliability of the instrument was achieved using the Cronbach Alpha coefficient with all the items scoring above 0.70. The hypotheses were tested using the Spearman's Rank Order Correlation Statistics while the partial correlation was used to test the moderating effect of organizational structure. The tests were carried out at a 0.05 significance level. Findings revealed that there is a significant relationship between market innovation capability and performance of indigenous oil and gas companies in South-South, Nigeria.

Naji, Isha, Allazani, Saleem, and Alzoraiki (2022) explored the role of safety communication (SCO) as a moderator in the link between safety culture (SC) and safety performance (SP) among petrochemical sector employees. Safety communication approaches not only improve working conditions, but they also have a favorable impact on employee actions and attitudes toward safety, resulting in fewer occurrences in the workplace. In Malaysia's petrochemical industry, data was collected using a stratified sampling method. The hypothesized model was analyzed using structural equation modeling (SEM) and data from 320 participants. The findings show that safety communication mediates the relationship between safety culture and safety performance. Furthermore, it was discovered that safety culture has a considerable and favorable impact on safety performance. By offering empirical data on the direct and indirect relationship between safety culture and safety performance in the petrochemical industry, this study provides an important theoretical contribution.

3. Methodology

The study employed a survey research design. Survey research is one in which a group of people or items is studied by collecting and analyzing data from only a few people or items considered to be representative of the entire group. In other words, only a part of the population is studied, and findings from this are expected to be generalized to the entire population. The study made use of data from participants using structured questionnaires design with a 5-point Likert scale and possibly interviews with key stakeholders. The target population of the study consists of thousand thirty-three (1,033) management and senior staff of the selected firms namely: Oilserve, Nestoil, and Nigerdock). The sample size 288.3 was determined using the Yamane (1964) formula. Cronbah's Alpha was used in determining the extent of internal consistency of the instrument and value (∞) of greater 0.850 indicated very strong reliability.

Data from the questionnaire were analyzed with the aid of SPSS version 23 using simple, percentages, mean and standard deviation and correlation co-efficient. While Pearson correlation (r) was used to test the hypotheses.

Data Presentation, Analyses and Interpretation

4.1 Distribution and Returned Questionnaire

The chapter presents and analyzes the data collected for the study. The presentation and interpretation of data were based on the questionnaire administrated to the staff of the Oil and Gas under study. Table 4.1 shows the Distribution and Return of the Questionnaire from the Oil and Gas.

Table 4.1 Distribution and Return of the Questionnaire

Firms	Distributed	No Returned	percent	No not Returned	Percent
1. Oilserve	90	86	29	4	1
2. Nestoil	99	94	33	5	2
3. Nigerdock	99	94	33	5	2
Total	288	274	95	14	5

Source: Field Survey, 2024

Two hundred and eighty-eight (288) copies of the questionnaire were distributed to the respondents and two hundred and seventy-seven (274) copies were returned representing Ninety-five (95) percent, while fourteen (14) copies of the questionnaire were not returned representing four (4) percent that showed a high rate of response.

4.2 Data Presentation**4.2.1 The relationship between the procurement of local materials and operational safety of indigenous entrepreneurship of oil and gas firms in South South, Nigeria**

Table 4.2.1.1: There is the relationship between the procurement of local materials and operational safety of indigenous entrepreneurship of oil and gas firms in South South, Nigeria

		5 SA	4 A	3 N	2 D A	1 SD	Σ FX	- X	SD	Decision
1	Local materials are faster to procure and reduces damages	550 110 40.1	92 23 8.4	261 87 31.8	60 30 10. 9	24 24 8.8	987. 274 100%	3.60	1.339	Agree
2	The use of local materials are more reliable for deliveries and with stronger reputation	845 169 61.7	92 23 8.4	90 30 10.9	54 27 9.9	25 25 9.1	1056 274 100%	3.85	1.395	Agree
3	The materials have no import taxes and enhances efficiency	680 136 49.6	92 23 8.4	207 69 25.2	26 13 4.7	33 33 12.0	1038 274 100%	3.79	1.409	Agree
4	Local materials are more flexible and better control with improved compliance	750 150 45.2	248 62 18.1	72 24 11.2	22 11 6.9	27 27 18.5	1119 274 100%	4.08	1.297	Agree
5	There is more cost effectiveness as logistical costs are lessened and increase in productivity	905 181 66.1	160 40 14.6	39 13 4.7	42 21 7.7	19 19 6.9	1165 274 100%	4.25	1.257	Agree
Total Grand mean and standard deviation								3.91 4	1.339 4	

Source: Field Survey, 2024

Table 4.2.1.1, 133 respondents out of 274 representing 48.5 percent agreed that the Local materials are faster to procure and reduces damages. 3.60 And standard deviation of 1.339. The

use of local materials is more reliable for deliveries and with stronger reputation 192 respondents representing 70.1 percent agreed with mean score of 3.85 and standard deviation of 1.395. The material has no import taxes and enhances efficiency 159 respondents representing 58.0 percent agreed with mean score of 3.79 and standard deviation of 1.409. Local materials are more flexible and better control with improved compliance 212 respondents representing 63.3 percent agreed with mean score of 4.08 and 1.297. There are more cost effectiveness as logistical costs are lessened and increase in productivity 221 respondents representing 80.7 percent agreed with a mean score of 4.25 and standard deviation 1.257

4.2.2 There is the relationship between job creation and the maintenance costs of indigenous entrepreneurship of oil and gas firms in South South, Nigeria.

Table 4.2.2.1: Responses on the relationship between job creation and the maintaining costs of indigenous entrepreneurship of oil and gas firms in South South, Nigeria

		5 SA	4 A	3 N	2 DA	1 SD	Σ FX	- X	SD	Decision
1	Job recruitment reduces poverty and decreases equipment downtime	670 134 48.9	295 73 26.6	27 9 3.3	72 36 13.1	22 22 8.0	1086. 274 100%	3.96	1.3 32	Agree
2	Innovation is promoted with job creation and enhanced safety	685 137 50.0	340 85 31.0	30 10 3.6	24 12 4.4	30 30 10.9	1109 274 100%	4.05	1.3 04	Agree
3	Job creation strengthens communities and helps manage compliance	850 170 62.0	328 82 29.9	27 9 3.3	12 6 2.2	7 7 2.6	1224 274 100%	4.47	1.8 69	Agree
4	Employee skills art enhanced and more prosperous society for everyone	745 149 54.4	384 96 35.0	27 9 3.3	16 8 2.9	12 12 4.4	1184 274 100%	4.32	1.9 94	Agree
5	Public benefits attract business and reduces waste	520 104 38.0	412 103 37.6	27 9 3.3	76 38 13.9	20 20 7.3	1055 274 100%	3.85	1.2 68	Agree
Total Grand mean and standard deviation								4.13	1.5 53 4	

Source: Field Survey, 2024

Table 4.2.1.1, 207 respondents out of 274 representing 75.5 percent agreed that the Job recruitment reduces poverty and decreases equipment downtime 3.96 and standard deviation of

1.332. Innovation is promoted with job creation and enhanced safety 222 respondents representing 81.0 percent agreed with mean score of 4.05 and standard deviation of 1.304. Job creation strengthens communities and helps manage compliance 252 respondents representing 91.9 percent agreed with mean score of 4.47 and standard deviation of 1.869. Employee skills art enhanced and more prosperous society for everyone 245 respondents representing 89.4 percent agreed with mean score of 4.32 and 1.994. Public benefits attract business and reduces waste 207 respondents representing 75.6 percent agreed with a mean score of 3.85 and standard deviation 1.268

4.3 Test of Hypotheses

4.3.1 Hypothesis One: Procurement of local materials has relationship with operational safety of indigenous entrepreneurship of oil and gas firms in South South, Nigeria.

Table 4.3.1 One-Sample Kolmogorov-Smirnov Test

	Local materials are faster to procure and reduces damages	The use of local materials is more reliable for deliveries and with stronger reputation	The materials have no import taxes and enhances efficiency	Local materials are more flexible and better control with improved compliance	There is more cost effectiveness as logistical costs are lessened and increase in productivity
N	274	274	274	274	274
Minimum	1	1	1	1	1
Maximum	5	5	5	5	5
Most Absolute	.401	.617	.496	.547	.661
Extreme Positive	.088	.091	.120	.099	.069
Differences Negative	-.401	-.617	-.496	-.547	-.661
Kolmogorov-Smirnov Z	6.645	10.210	8.216	9.062	10.935
Asymp. Sig. (2-tailed)	.000	.000	.000	.000	.000

a. Test distribution is Uniform.

b. Calculated from data.

Decision Rule

If the calculated Z-value is greater than the critical Z-value (i.e $Z_{cal} > Z_{critical}$), reject the null hypothesis and accept the alternative hypothesis accordingly.

Result

With Kolmogorov-Smirnon Z – value ranges from $6.645 < 10.935$ and on Asymp. Significance of 0.000, the responses from the respondents as display in the table is normally distributed. This affirms the assertion of most of the respondents that **Procurement of local materials had significant positive relationship with operational safety of indigenous entrepreneurship of oil and gas firms in South South, Nigeria.**

Decision

Furthermore, comparing the calculated Z- value ranges from $6.645 < 10.935$ against the critical Z- value of .000(2-tailed test at 95percent level of confidence) the null hypothesis were rejected. Thus the alternative hypothesis was accepted which states that Procurement of local materials had significant positive relationship with operational safety of indigenous entrepreneurship of oil and gas firms in South South, Nigeria.

4.3.2 Hypothesis Two: Job creation has relationship with the maintaining costs of indigenous entrepreneurship of oil and gas firms in South South, Nigeria

Table 4.3.2 One-Sample Kolmogorov-Smirnov Test

	Job recruitment reduces poverty and decreases equipment downtime	Innovation is promoted with job creation and enhanced safety	Job creation strengthens communities and helps manage compliance	Employee skills part enhanced and more prosperous society for everyone	Public benefits attract business and reduces waste
N	274	274	274	274	274
Uniform Parameters ^{a,b}	Minimum 1 Maximum 5	Minimum 1 Maximum 5	Minimum 1 Maximum 5	Minimum 1 Maximum 5	Minimum 1 Maximum 5
Most Extreme Differences	Absolute Positive Negative	.505 .109 -.560	.670 .026 -.670	.644 .044 -.644	.505 .073 -.505
Kolmogorov-Smirnov Z	8.367	9.273	11.086	10.663	8.367
Asymp. Sig. (2-tailed)	.000	.000	.000	.000	.000

a. Test distribution is Uniform.

b. Calculated from data.

Decision Rule

If the calculated Z-value is greater than the critical Z-value (i.e $Z_{cal} > Z_{critical}$), reject the null hypothesis and accept the alternative hypothesis accordingly.

Result

With Kolmogorov-Smirnon Z – value ranges from $8.367 < 11.086$ and on Asymp. Significance of 0.000, the responses from the respondents as display in the table is normally distributed. This affirms the assertion of most of the respondents that

Job creation had significant positive relationship with the maintaining costs of indigenous entrepreneurship of oil and gas firms in South South, Nigeria

Decision

Furthermore, comparing the calculated Z- value ranges from $8.367 < 11.086$ against the critical Z- value of .000(2-tailed test at 95percent level of confidence) the null hypothesis were rejected. Thus, the alternative hypothesis was accepted which states that Job creation had signification positive relationship with the maintaining costs of indigenous entrepreneurship of oil and gas firms in South South, Nigeria.

5.1 Summary of Findings

- i. Procurement level of local materials had significant positive relationship with level of operational safety of indigenous entrepreneurship of oil and gas firms in South South, Nigeria, $Z(95, n = 274), 6.645 < 10.935, P. < .05$.
- ii. Job creation had signification positive relationship with the maintaining costs of indigenous entrepreneurship of oil and gas firms in South South, Nigeria, $Z(95, n = 274), 8.367 < 11.086, P. < .05$.

5.2 Conclusion

The study concluded that Procurement of local materials and Job creation had significant positive relationship with operational safety and maintaining costs of indigenous entrepreneurship of oil and gas firms in South South, Nigeria. Local content strategies are crucial for the sustainability of the indigenous entrepreneurship of oil and gas firms in South South, Nigeria. They enable the country to reduce dependence on imports, enhance research and development capabilities, promote technology transfer, and create a robust domestic oil and gas sector. The oil and gas sector in the south south part of Nigeria faces challenges related to dependence on imported oil and gas sector. However, through local content strategies focusing on domestic manufacturing, research and development, and collaborations with international partners, the region is working towards enhancing the sustainability of the oil and gas sector. By promoting local production, improving R&D capabilities, and ensuring regulatory compliance, the southeastern region aims to provide better access to quality of oil and gas sector and contribute to the overall better system in Nigeria. Effective implementation of these strategies, along with supportive policies and regulations, will contribute to improving access to quality of oil and gas sector and stimulating economic growth.

5.3 Recommendations

- i. The management of Oil and gas should ensure more effective material procurement to reduce the chances of disruptions due to shortages within the supply chain. It helps businesses

save money, maintain quality, manage risks, enhance supplier relationships, and improve overall efficiency.

ii. For effective thriving economy and to promote economic growth, reduce poverty, promote innovation, strengthen communities, and enhances employee skills there is need for job creation. Therefore, it is essential for governments and businesses to focus on job creation as a key priority.

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