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INVESTMENTS IN KNOWLEDGE AND INNOVATIONS IN E-BUSINESS IN NIGERIA

Nigeria has a bold vision of becoming one of the top 20 economies in the world by 2020, as outlined in its “Nigeria Vision 2020” strategy. Although currently eighth in the world in terms of population, the country ranks 41st in terms of GDP and 161st in terms of GDP per capita. Despite being one of the poorest countries in the world, Nigeria is a powerhouse on the African continent by virtue of its size. Its vast oil wealth also promises much in the way of potential finance for development.

Knowledge has always been central to development. Traditionally, cultures that knew more than others were better able to adapt to their environments, survive, and thrive. Knowledge is becoming truly global, accessible, and democratic. The impacts of this paradigm shift are all around us. The challenges faced by the Nigerian education system are great, but so too are the potential and the scope for meaningful government participation as an architect, provider, and partner, rather than just as a regulator.

To improve access, quality, and funding of education, Nigeria must harness the contribution of the private sector. Government can play a catalytic role in the process of building strong public-private partnerships that could provide funds and know-how to improve curricula and realign research priorities. A stronger and continual exchange among schools, universities, research institutions, government agencies, and private firms can help cater to the needs of industries and produce more employable graduates, thus reducing the serious problem of unemployment among Nigerian youth.

The first step toward adopting an innovation culture is to adopt existing technologies and adapt them to the local situation. As demand exceeds the supply of skilled human resources, and labor rates in Asian economies edge upward, Nigeria has the potential to absorb existing technologies and production systems, especially in the services

industries. Nigeria's production systems are far from efficient and there are great potential gains to be achieved simply by moving toward more modern and efficient production techniques, especially in the service sector. In practice, many of these improvements will come through increased FDI in nontraditional sectors, especially ICT, tourism, and financial services.

Nigeria's innovation system is not as well-developed as those of other African comparator countries. The country needs to strengthen the collaboration between its universities and the private sector. Higher education institutions have few formal linkages to industry, and as a result tend to continue teaching outdated materials and producing graduates who are ill-equipped for the working environment.

This is an opportune time for Nigeria to begin its transition toward a knowledge economy. Dialogue and partnerships should be used to encourage the development of research communities in order to build the national innovation system. This will help Nigeria attract more FDI and research and development resources to establish national centers of excellence.

Nigeria boasts the largest population in Africa – set to increase from 180 million today to 440 million by 2050, with gross domestic product expected to grow between 4.5 and 9 percent each year in between. With 38 percent of Nigerians now connected to the internet – a figure that's on the rise fueled by a growing middle class – our e-commerce industry clearly has potential.

But reaping these online rewards isn't straightforward. To encourage Nigerians to make more online transactions the e-commerce industry must find innovative solutions to the table stakes of online sales, such as fast and easy payments and refunds, and trouble-free deliveries and returns. Perhaps it's the passion and commitment involved in bringing Nigeria's strong trading culture online that makes our country an attractive proposition for investors.