Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

GLOBALISATION AND DEVELOPMENT OF MANUFACTURING ORGANISATIONS IN SOUTH EAST OF NIGERIA

Onwuzu Kyrian Chukwukadiba, Prof. Emeka Nnamani and Prof. Adonai Okechukwu Okonkwo
Department of Business Administration, Faculty of Management Sciences, Enugu State University of Science and Technology (ESUT), Enugu

Keywords: *Globalisation, Development, Manufacturing, Organisations.*

Abstract: *This work was carried out to (1) find out how foreign direct investment affects working capital of manufacturing industries in the South East of Nigeria; and (2) ascertain the effect of global value chains on the culture of business investment in manufacturing industries in the South East of Nigeria. For this study, a survey research approach was used, and copies of the questionnaire were sent to employees at several industrial enterprises in South East Nigeria. The acquired data was analysed using simple percentages, and the hypotheses were evaluated using t-tests. This was accomplished by coding the items and inserting them into the Statistical Package for Social Sciences (SPSS) software version 22 to completely analyse the data. The result of the findings revealed that foreign direct investment has a significant effect on the working capital of manufacturing industries in South East Nigeria (this becomes the fact as t-table at 74.500 > (6.314) with p 0.05). Another result showed that global value chains have a significant effect on the culture of business investment in manufacturing industries in South East Nigeria. (This becomes the fact that t-table at 17.306 > (2.353) with p 0.05). The study concluded that globalisation has significantly affected the manufacturing sector in South East Nigeria. Therefore, the study recommended that there should be a clear guideline in government policy regarding priority sectors requiring foreign investment in Nigeria, among which sectors such as manufacturing should be prioritised for development. The spill-over effects of developing these sectors would be multiple increases in employment rates, GDP and production, food supply and raw materials for industry (especially the local ones), foreign exchange earnings, etc. Also, to increase global value chain involvement in manufacturing enterprises in Nigeria's South East and other regions of the country, the government should design a technologically robust manufacturing development policy that captures the global value chain in accordance with international standards.*

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

1.1 Introduction

Globalisation is multi-faceted. It includes greater product and resource exchange between nations via trade, immigration, and foreign investment via international flows of commodities and services, people, and investment in equipment, factories, stocks, and bonds (Schmukler & ZoidoLobaton 2019). Globalisation involves non-economic variables like culture and the environment, in addition to economic components. Simply said, globalisation has political, technical, cultural, and economic components. Given the existing economic conditions and linkages, no economy can exist in isolation, just as no country can live in isolation (Okowa, 2020). A significant level of economic interdependence is necessary because no one country can generate all of life's requirements. With this in mind, globalisation is vital to any nation's success, particularly manufacturing expansion.

According to the law of comparative advantage, a country can win by directing more of its resources toward the production of commodities over which it has a comparative advantage (Gygli, Haelg, Potrafke & Sturm, 2019). As a result, if a product or service can be obtained more cheaply through trade, it is preferable to trade for it rather than grow resources to produce it domestically at less competitive prices. The primary concern is how to maximise the utilisation of existing resources to achieve each product at the lowest feasible cost. When trade partners commit more time and resources to doing what they do best, they may create more production, which leads to mutual advantage (Nyeche, Ezebunwo & Ekine, 2018).

There are benefits to competitive engagement that are also gained through global interaction. Both innovation and efficient production require competition. Global competition keeps domestic producers on their toes and provides a strong incentive for them to improve the quality of their products. Furthermore, global sharing tends to undermine monopolies (Gygli, Haelg, Potrafke, & Sturm, 2019). However, although the manufacturing sector in Nigeria consists of thirteen activities, the impact of globalisation is not industrially competitive in relation to other climates: oil refining; cement; food, beverage, and tobacco; textiles, clothing, and shoes; wood and wood products; pulp paper and paper products; chemical and pharmaceutical products; non-metallic products; plastic and rubber products; electrical and electronics, base metal and iron and steel; motor vehicles and assembly; and other manufacturing.

In the first quarter of 2022, Nigeria's manufacturing industry increased by 5.89% in real terms (year-to-year), up 3.61 percentage points from the previous quarter, which grew by 2.28%. In the first quarter of 2022, the sector's nominal GDP growth was 11.72% year on year, down 20.38 percentage points from the same quarter in 2021 (32.10%). The sector contributed 10.20% of total GDP in real terms in the first quarter of 2022, up from 9.93% in the first quarter of 2021 but down from 8.46% in the fourth quarter of 2021 (NBS report, 2022). The manufacturing sector is critical to economic growth because of its tremendous potential for increasing productivity, technical breakthroughs, capital accumulation, and economies of scale. The industry is viewed as a growth engine. Furthermore, because of technical advancements, the industry has the ability to create jobs and develop a varied range of high-quality products (Obadan, 2019).

However, studies show that nations with thriving manufacturing sectors are less vulnerable to global economic shocks due to their diverse export products. The sector transforms raw materials into finished and intermediate products for local consumption

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

and export. The absence of a functional manufacturing sector would lead to overdependence on importation of foreign goods, which constitutes a leakage in the economy (Aluko & Alimi, 2018). As a result, the manufacturing sector is predicted to potentially accomplish import substitution of foreign consumer products and consumer durables (Chete et al., 2019). Manufacturing for export provides jobs in the home economy and raises the added value of primary export items. The combined effects of a thriving manufacturing sector always result in a favourable trade balance (BOT).

Globalisation is therefore a process that crosses national borders, integrating national economies, cultures, technology, and governance and establishing complex interdependent links (Gygli et al., 2018). Meanwhile, Nigeria's manufacturing industry is known for its low and falling contribution to national production, which has averaged 6% over the last few decades, and for its poor capacity utilisation, which has averaged 30% over the past few decades (Aluko & Alimi, 2018). Over the last 30 years, Nigeria's manufacturing industry has seen what I would term deindustrialization. It is consequently critical to assess globalisation and the manufacturing industry in Nigeria.

1.2 Statement of the Problem

Manufacturing firms in Nigeria struggle to compete with foreign-owned firms. As a result, Nigeria has become a dumping ground for all kind of foreign goods. This results in the liquidation and failure of Nigerian firms, as well as substantial unemployment as a result of widespread industrial closures and a concomitant decline in capacity utilisation, which has a negative impact on our GDP. This study therefore tries to examine Globalisation and development of manufacturing industries, its impacts in Nigeria and the need for a positive change.

1.3 Objectives of the Study

The general objective of the study is to determine Globalisation and development of manufacturing industries in Nigeria. The specific objectives include:

i. To determine the extent to which foreign direct investment affects working capital of manufacturing industries in South East Nigeria.
ii. To ascertain effect of Global Value Chains on culture of business investment of manufacturing industries in South East Nigeria.

1.4 Research Questions

The following research questions guided this study:

i. To what extent does foreign direct investment affect working capital of manufacturing industries in South East Nigeria?
ii. What is the effect of Global Value Chains on culture of business investment of manufacturing industries in South East Nigeria?

1.5 Statement of Hypotheses

Ho_1: Foreign direct investment has no significant effect on working capital of manufacturing industries in South East Nigeria.

Ho_2: Global Value Chains has no significant effect on culture of business investment of manufacturing industries in South East Nigeria.

1.6 Scope of the Study

The study focused on the Globalisation and the development of manufacturing industries in Nigeria. The study will focus on the activities of manufacturing firms in South East of Nigeria, which comprises Enugu State, Abia State, Ebonyi, Anambra and Imo State.

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

1.7 Significance of the Study

The findings of this study is of immense relevance and benefit to several interest groups. The study will help manufacturing firms and its owners know the benefits Globalisation holds to local manufacturing and guidelines to be used to strategize effectively.

This study will contribute to the existing literature to the subject of Globalisation in the manufacturing industry, which can also serve as a tool for lecturing and leaning.

It will be useful in future as sources of secondary data for the researchers and academic inquiry. This study will give the researcher detailed information about Globalisation and the development of manufacturing industries in Nigeria.

REVIEW OF RELATED LITERATURE

2.1 Conceptual review

2.1.1 Globalisation

This is a shift towards positive acceptance of human productive activities. Nations that adopt a more open attitude to globalisation would experience preferential rates of development than those that limit their economies to trade only (Hill, 2018; Obadan, 2020). This idea explains the way in which an economy's responsiveness to the world economy involves remarkable developments in money and capital flows, alongside various changes brought about by interconnectedness. When an economy opens up, better and more sophisticated innovations from different nations open up to native endeavors. This requires improved efficiency in domestic manufacturing organisations (Akinmulegun & Oluwole, 2018).

Globalisation is characterised as the reconciliation of public economies on a world scale through the development of global developments of elements of creation. In turn, Loto (2018) portrays the evolution of the manufacturing area as an increase in yield evolution associated with import and commodity expansion, the achievement of unfamiliar trade gains, the reduction of unemployment, and the expansion of per capita wage utilisation design. Knickerbocker (2017), in his oligopolistic reaction hypothesis, proposed that a partnership invest in a country to improve its piece of the pie. Then the other oligopolistic corporations invest resources in that country to keep up with their piece of the pie. This type of excellent money management is sometimes referred to as "following the pioneer." Furthermore, to avoid vulnerabilities and dangers, organisations wait for a pioneering company's initiative before putting themselves and their assets first. This is the reason for the pioneer-follower regulation. The oligopolistic response theory is relevant to the investigation since it argues for economies of scale that an organisation may get by relocating resources to another country. Nonetheless, the notion fails to express the benefit that the host nation obtains as a result of globalisation.

Globalisation, in its exacting sense, is the course of change of a nearby peculiarity into a worldwide one. It tends to be portrayed as a cycle in which individuals from around the world are brought together into a solitary society and develop capabilities together. This interaction is a blend of financial, innovative, socio-social, and political powers (Sheila, 2018). Globalisation is frequently used to allude to monetary Globalisation, that is, the incorporation of public economies into the worldwide economy through exchange, unfamiliar direct speculation, capital streams, coordination, and the spread of innovation (Bhajwati, 2018).

Besides, Ama (2019) characterised globalisation as "the dimension or disposal of state-implemented limitations on trade across borders and the inexorably incorporated and complex worldwide arrangement of creation

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

and trade that has arisen subsequently." Correspondingly, Egberi and Samuel (2017) inspected the effect of the leveling of the globe and contended that globalised exchange, rethinking, supply-fastening, and political powers have influenced the world for all time, for both better and worse. He also contended that the speed of globalisation is enlivening and will keep on growingly affecting business associations and practices. Once more, Obadan (2018) contended that globalisation isn't simply a monetary peculiarity that incorporates world economies in the addition of culture, innovation, and administration. It, likewise, has strict, ecological and social aspects.

Due to the impact of huge worldwide organisations and further developed correspondence, globalisation subsequently means various societies and monetary frameworks all over the planet are being associated with and like each other. Ruler Giddens says that globalisation can be characterised as an escalation of overall social relations which connects far off territories so that neighbourhood happenings are moulded by occasions happening somewhere far off as well as the other way around. Roland Robertson says that globalisation doesn't just allude to the goal interaction of expanding interconnectedness. It also alludes to cognizant and emotional matters in particular, the extension and thickness of the awareness of the world as a solitary spot. Martin Khar deposes that Globalisation is what we in the 3rd world have for several years called colonization. It has also been variously defined as: Internationalization, liberalization, universalization westernization or modernization, and De-territorialization.

2.1.2 Foreign direct investment

Foreign direct investment (FDI) is an ownership interest in a foreign company or project made by an investor, company, or government from another country. Glass and Saggi (2019) suggest that foreign direct investment suggests an improvement in capital that reflects a company's ownership and control by another country. Uzoka (2018) posits that foreign direct investment is the inflow of external rewards into a given economy through a hypothesis involving global effort. Despite relocation and capital exchange, foreign direct investment (FDI) is one of the ways countries around the world experience global trade in capital, labor, and efficiencies; it involves the investment of assets by people, organizations, or administrations of one country in the economy of another.

Manufacturing, on the other hand, is a subset of the modern realm (handling, quarrying, art, and mining) that involves the conversion of unrefined components into finished consumer goods or semi-finished or crafted goods. The manufacturing area builds roads for work, helps support agribusiness and boosts the economy while helping the country expand its foreign trade and consequently supports nearby jobs in skill creation. It limits the gamble of over-reliance on forex and encourages the ideal use of accessible assets. As stated by Obichukwu (2019), production output is what an industry produces as a total public output, regardless of its current terrible performance, which is as significant as the sources of expectation for practical development and improvement in Nigeria.

Global Value Chain

The World Development Report (WDR) (2020) indicates that the development of the GVC examines whether there is a way to develop through GVC and exchange. This implies that innovation affects the great and terrible two sides of global exchange. In the meantime, GVC is proving to offer a number of benefits. In particular, these should continue to help

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

creation, create better positions, reduce neediness, and so on. The Global Value Chain Development Report 2017 distinguishes the production interaction from various advances made by different countries. Demonstrating the importance of GVC, this report has stimulated scientists to examine the value-added exercises in exchange and to analyse each task or phase of the ongoing cycle. The primary GVC development reports expand the research through value-added exchange exercises that encompass the overarching goal and acknowledge the changing idea of global exchange (Mayer & Gereffi, 2020).

The GVC structure has gained prominence due to emerging financial issues like India and China, which are new drivers of GVCs. The severity of the article and cycle influences the outcome of traded arranged economies, the rise of interest-driven labour force development, dynamic financial updating, and policies and norms that take into account the significance of social and climatic development (Lee, 2020). The GVCs and their impact on business, progress, government, and business methodology all contribute to the development of economies. Historically, huge emerging markets like China, India, Brazil, and Mexico have bolstered the advantages of GVCs. The less developed countries of the world economy need to improve their own ability to cultivate development (Gary and Fernandez-Stark, 2019).

2.1.4 Organizational Performance

The end result of an activity is performance; it includes the actual outcomes of the main administration method (Al-Hasan & James, 2019). According to Bhagwatti (2018), the outcome of achieving its aims addresses the hierarchy of performance. Authoritarian performance encompasses all modes of behaviour associated with hierarchical goals that rely on people's levels of commitment to the organisation (Delery& Doty, 2019). Regardless, hierarchical performance is the mirror that reflects the organization's capacity to achieve high efficiency because it is linked with client fulfillment and having a piece of the pie that can give a reasonable monetary discount and fulfill social and ethical obligations towards the community where the organisation works and the general public (Gantasala, 2019).

Essentially, the researchers viewed hierarchical performance as the accomplished consequences of the collaboration between the exercises of the correspondence and data innovation domain and its assets, or the contrast between the monetary goals and the non-monetary goals in a given time frame (Rajneesh & Kaur, 2018). Also, Venkatraman and Vasudevan (2019) note that the assessment of hierarchical performance depends on the performance fields in business organizations, which vary according to their different organizations, the types of exercises, and the level of attention paid to the fields that are accepted. Goal achievement is regarded as critical for the club (Gantasala, 2019). Despite the fact that researchers have different perspectives on distinguishing performance areas and approaches to their estimation, some of them focus on shareholder goals as key performance areas that the organisation should rely on when estimating performance.

Darroch (2020) concludes that monetary performance will continue to be the factor determining the organization's level of wealth and its inability to reach the baseline level of monetary performance. Regardless, its presence will be harmful. When the performance involves non-monetary scales, the basic picture of the performance appears as what the monetary scales neglect (Zainol & Ayadurai, 2019). Consistent with this, Udu and Ameh (2019) understand that performance should not be treated solely as a monetary idea. In this way, it is advisable to give serious thought to non-monetary benefits in higher education institutions, especially in the funding area.

Regardless, Nofal, Hollenbeck, Gerhart, and Wright (2018) contend that relying primarily on monetary measurements of success gives a skewed view of the organisation. This evaluation approach should be enhanced and complemented with functional performance scales in order to establish an approximated framework for high performance in the company. Customer loyalty, for example, is a component of that equity. According to Noruzy, Lau-Chung, and Foley (2019), as long as the manager is concerned with the overall success of the organisation, he will aim for a balance between operational and monetary interests.

In general, company performance has been observed and measured in accounting terms. An unanticipated issue should be mentioned here; due to privacy considerations, it is usually difficult to obtain accurate bookkeeping information from associations unless they are publicly cited organisations (Coulter & Robbins, 2019). Although hierarchical performance encompasses a wide range of specific areas of firm results (Richard, 2019), we focused on three critical aspects to assess hierarchical performance: development, upper hand, and level of advancements.

2.2 Theoretical Framework

The monetary theory suggests that countries that have a more open stance toward globalisation would enjoy better growth rates than those that restrict their economy to trade (Hill, 2018; Obadan, 2020). This concept demonstrates that, among the other changes brought about by interconnection, the openness of an economy to the world economies has resulted in an incredible expansion of monetary and capital flows. An economy's openness develops, and superior innovation from overseas is more accessible than from domestic enterprises. This implies a higher useful limit for local manufacturing enterprises (Akinmulegun & Oluwole, 2018).

Globalisation is a process that has an impact on organisations, businesses, economies, and countries (Bayo, 2000). Despite the fact that "globalisation" has been a significant and generally engaged word for quite some time and continues to affect organisations in all perspectives, there are just a few types of studies that explore the effect of globalisation on company performance. The movement of invention, the development of unexpected direct initiatives, and commodity progression via the extension of market potential are all features of globalisation as a result of transparency. As discussed more below, these aspects of globalisation may have a special impact on company development. The openness estimates regarding the provision of import restrictions on imported innovations are either free or embodied in the middle of the street as capital goods. The decline in levies has led to more prominent admissions of more advanced innovations, devices, and data sources. The impact of innovation is changing the climate in which organisations operate. Therefore, product improvements and cost reductions aside, the results of companies employing cutting-edge innovations may be of more notable interest and are therefore expected to continue to evolve.

2.3 Empirical Review

2.3.1 Effect of Foreign Direct Investment on Working Capital of Manufacturing Industries in South East Nigeria

Moussa, Amadu, Idrissa, and Abdou (2019) assessed the impact of foreign direct investment (FDI) on the efficiency of

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

manufacturing firms in Cameroon. To this end, the ability to create Cobb-Douglass types using the generalised least squares method was assessed for 1,269 companies in 24 parts of the modern region of the country. The econometric assessments used information obtained from the country's National Institute of Statistics for the period 2005–2019. The discoveries show that foreign direct investment affects the efficiency of manufacturing firms. A 1% increase in the efficiency of foreign organisations leads to a 4.4% decrease in the efficiency of domestic companies. Likewise, a 1% increase in global effort reduces the business performance of domestic companies by 0.10%. First, native organisations should invest more in research and hardware to reduce creation costs and work on the nature of their items. Secondly, the government of Cameroon should work on obtaining innovations and advances for its domestic industries.

David, Abu, Alabi, and Mohammed (2018) investigated the influence of foreign direct investment (FDI) on Nigerian manufacturing from 1975 to 2008. Nigeria has adopted several strategic initiatives targeted at boosting the efficiency of the manufacturing sector in response to the entrance of foreign direct investment into the nation. The debate is that the decision-makers are not sure that the potential advantages of FDI can be properly appreciated. The verification processes include vector auto-regression (VAR), co-reconciliation, and error-removal approaches to demonstrate the relationship between foreign direct investment and manufacturing sector development. The review's findings indicate that foreign direct investment has a significant impact on production efficiency. Based on the findings, it is suggested that the administration create an enabling environment for foreign investment and pay attention to FDI benefits, with a particular focus on NEPAD and NEEDS via the MDGs; subsequent drawing of boundaries with regard to practical development in the production area.

Ayanwale (2017) investigated the influence of foreign direct investment on the performance of Nigeria's manufacturing sector and discovered that the government is actively seeking additional foreign investors. This is due to the fact that the money created by these investments may be used to support the operations and activities of the manufacturing sector. The available Nigerian manufacturing and macroeconomic data reported in the study by Ehijiele et al. (2020) however, did not portray a favourable image of Nigeria manufacturing production in 2020, as Nigeria manufacturing production declined 0.30 percent in June 2020 compared to the same month in 2018. Nigeria manufacturing production was down from 2007 through 2020 averaged 8.43 percent, hitting an all-time height of 24.60 percent in the fourth quarter of 2019 and a record low of -0.70 percent in the first quarter of 2020.

2.3.1 Effect of Global Value Chains on Culture of Business Investment of manufacturing industries in South East Nigeria

Korwatanasakul and Paweenawat (2021) analysed Thailand in terms of backwards and forwards movement, meaning upstream and downstream value chain connections, and investigated the factors of GVC collaboration and the link between SME execution and GVC support (Arudchelvan and Wignaraja 2020). 96% of Vietnamese financial design is done by small and medium-sized firms (SMEs) (VCCI and USAID 2019). According to Hollweg, Smith, and Taglioni (2017), foreign investment in Vietnam has enhanced the underlying transformation and value chain.

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

Tamuno and Edoumiekumo (2018) used inclusion and error correction procedures to investigate the influence of globalisation on modern Nigerian space. The co-mix test result confirmed the presence of a long-term link between the model's variables. The results of the short-term element error-remediation model revealed that external commitments, gross capital arrangements, purported swap scales, and the amount of openness all have a negative impact on modern Nigeria, while unknown direct speculation has a significant impact. Similarly, Ray (2018) used the Granger causality test to investigate the likelihood of a causal link between globalisation and monetary trends in India. He discovered that globalisation and financial development have a shared causal link.

Acikgoz and Mert (2019) used the Auto-Regressive Distributed Lag model to examine the relationship between financial, social, and political globalisation and monetary trends in Turkey from 1970 to 2008. (ARDL). They discovered that while there is no direct link between financial globalisation and monetary development, there is one between friendly globalisation, political globalisation, and financial progress. Ebong (2018) also led a study on Nigeria's globalisation and modernization from 1960 to 2020, employing the Engle-Granger two-step and Johansen co-joining tests, as well as the vector auto-relapse approach. Discoveries clearly demonstrated that globalisation has a significant influence on Nigeria's modern growth. The propensity to exchange, in particular, has had an impact on modern civilization.

METHODOLOGY

3.1 Research Design

For the purposes of this study, a survey design has been adopted. The survey design is adopted because it gives the researcher an opportunity to learn people's opinions and get up-to-date information from respondents. A descriptive research method was used for this study, and well-structured questionnaire were used for the study. However, the primary data source used in this study was mainly generated using a structured questionnaire administered to respondents. As a result, survey descriptive design is utilised when a researcher wants to collect data directly from respondents rather than relying on pre-existing data sources.

3.2 Sources of Data

3.2.1 Primary data

The primary source of data used in this study was generated mainly with the aid of a structured questionnaire administered to respondent. This is used when a researcher intends to generate data directly from respondents without relying on existing literatures.

3.2.2 Secondary data

Secondary data are historic in nature and was gathered through reviewing existing literatures relevant to the study; journals and articles, books, conference papers, and the internet. The literatures review was done in order to give the reader a clear understanding of the study based on already existing information.

3.3 Population of the Study

The population of study for this research comprises of five manufacturing firms in South East of Nigeria, which comprises Enugu, Ebonyi, Anambra Imo and Abia state. The target population for this study consists of the entire staff of the selected organizations, but the researcher randomly selected staff that work directly under the managerial unit of the firms.

Table 1: Population Distribution

S/N	Manufacturing firms	Number of staff
1	Juhel Nigeria	25
2	Innoson group	25
3	Hardis&Dromedas Limited	25
4	Emenite	25

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

5	Nigeria Brewery Enugu	25
	Total	125

Source: Field Survey, 2022.

3.4 Sample Size Determination

Due to small size of the population, the researcher adopted the population figure as the sample size for the study. (Ugwuonah, Onodugo & Ebinne, 2020)

3.5 Method of Data Analyses

The data was analysed based on simple percentages, round up to 2 decimal places. However, for the purpose of testing the hypotheses the t-test analysis was used. This was done with the aid of Statistical Package for Social Sciences (SPSS) software ver.22 to fully analyze the data by coding the items and entering them into the SPSS for analyses.

DATA PRESENTATION AND ANALYSIS

4.1 Presentation of Results

This chapter presents the analysis of the research data and the interpretation of the results. In analysing the data from the questionnaires administered, simple percentage was used by the researcher. Test statistics such as sample linear regression were used to test the hypotheses. Thus, the data collected was presented as follows:

Table 2: Questionnaire Distribution and Return

Questionnaire	Respondents	Percentage of Respondents
Returned	120	96
Not returned	5	4
Total distributed	125	100

Source: Field Survey, 2022

The copies of questionnaire administered were 125 and 120 (96%) of it were returned, while 5(4%) were not returned. The 120 copies of questionnaires that were returned are considered large and capable enough to make valid deductions and conclusions. Hence, the research analysis was based on the returned copies of questionnaire.

Table 3: Mean Rating of Responses of Respondents on how foreign direct investment affects working capital of manufacturing industries in South East Nigeria

S/N	ITEMS	SA	A	U	D	SD	N	FX	X	Decision
1	Foreign investment subsidises the majority of industrial enterprises.	41	70	1	3	5	120	499	4.2	Accepted
2	Nigeria's industrial sector is claimed to be linked to foreign investment through work in other nations.	19	52	2	44	3	120	400	3.3	Accepted
3	FDI inflows contribute to FDI manufacturing returns by supporting a productive and empowering macroeconomic environment.	58	21	7	34	4	120	467	3.9	Accepted
4	Most industrial organisations are choosing foreign direct investment due to the high cost of procuring gear to stay up with the global trend.	61	27	1	18	13	120	465	3.8	Accepted
5	To meet up with global competition, manufacturing firms accept foreign direct investment.	19	25	8	58	10	120	345	2.8	Accepted
Total	**Mean**								**3.6**	**Accepted**

Source: Field Survey, 2022.

Table 3 above shows the mean mark calculated from the response of the respondents on how foreign direct investment affects working capital of manufacturing industries in South East Nigeria. Based on the decision rule, that if is below 2.5 it is considered rejected and if is 2.5 and above it is considered accepted. However, all the items in the table were

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

accepted because they score the mean score of 2.5 and the overall mean is 3.6 it therefore proves that foreign direct investment affects working capital of manufacturing industries in South East Nigeria.

Table 4: Mean Rating of Responses of Respondents on the effect of Global Value Chains on culture of business investment of manufacturing industries in South East Nigeria

S/N	ITEMS	SA	A	U	D	SD	N	FX	X	Decision
6	In contrast to younger SMEs, more experienced manufacturing enterprises are less likely to participate in GVC activities.	25	70	5	12	8	120	45 2	3.7	Accepted
7	The GVC is an example of global exchange that many manufacturers are adopting.	23	58	3	10	26	120	40 2	3.3	Accepted
8	GVCs give a number of financial rewards through increasing exchanges and investments as well as increasing intensity.	50	56	3	7	4	120	501	4.2	Accepted
9	Manufacturing firms in impoverished countries expanded substantially as a result of global trade.	28	55	2	24	11	120	42 5	3.5	Accepted
10	As it deals with globalisation, the GVC is a prominent worldwide organisation for manufacturing enterprises.	21	79	1	8	11	120	451	3.7	Accepted
Total	**Mean**								**3.7**	**Accepted**

Source: Field Survey, 2022.

Table 4 above shows the mean mark calculated from the response of the respondents on the effect of Global Value Chains on culture of business investment of manufacturing industries in South East Nigeria. Based on the decision rule, that if is below 2.5 it is considered rejected and if is 2.5 and above it is considered accepted. However, all the items in the table were accepted because they score the mean score of 2.5 and the overall mean is 3.7 it therefore proves that Global Value Chains affects culture of business investment of manufacturing industries in South East Nigeria.

4.2 Test of Hypotheses

Test of Hypothesis One

H_0: Foreign direct investment has no significant effect on working capital of manufacturing industries in South East Nigeria.

H_i: Foreign direct investment has significant effect on working capital of manufacturing industries in South East Nigeria.

Table 6.1 One-Sample T-Test
Descriptive Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Foreign direct investment and working capital	120	1.4900	.02828	.02000

Source: SPSS

As presented in table 6.1, the overall mean score of 1.490 indicates that the respondents agree that foreign direct investment has significant effect on working capital of manufacturing industries in South East Nigeria.

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

Table 6.2 Test Result for Hypothesis one

Foreign direct investment and working capital	Test Value = 0					
	T	df	Sig. (2tailed)	Mean Difference	95% Confidence Interval of the Difference Lower	Upper
	74.500	1	.009	1.49000	1.2359	1.7441

Source: SPSS

As presented in table 6.2, the calculated t-test value is 74.50. This value is greater than the critical t-test value of 6.314, i.e. tcal (74.500) >tcritical (6.314). With $p < 0.05$, this result is significant. Hence, the null hypothesis is rejected and the alternative hypothesis accepted accordingly. Therefore, foreign direct investment has significant effect on working capital of manufacturing industries in South East Nigeria.

Test of Hypothesis Two

H_o: Global Value Chains has no significant effect on culture of business investment of manufacturing industries in South East Nigeria.

H_i: Global Value Chains has significant effect on culture of business investment of manufacturing industries in South East Nigeria.

Table 7.1 One-Sample T-Test Descriptive Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Global Value Chains and culture of business investment	120	1.4725	.17017	.08509

Source: SPSS

As presented in table 7.1, the overall mean score of 1.473 indicates that the respondents agree that Global Value Chains has significant effect on culture of business investment of manufacturing industries in South East Nigeria.

Table 7.2 Test Result for Hypothesis Two

Global Value Chains and culture of business investment	Test Value = 0					
	T	df	Sig. (2tailed)	Mean Difference	95% Confidence Interval of the Difference Lower	Upper
	17.306	3	.000	1.47250	1.2017	1.7433

Source: SPSS

As presented in table 7.2, the calculated t-test value is 17.306. This value is greater than the critical t-test value of 2.353, i.e. tcal (17.306) >tcritical (2.353). With $p < 0.05$, this result is significant. Hence, the null hypothesis is rejected and the alternative hypothesis accepted accordingly. Therefore, Global Value Chains has significant effect on culture of business investment of manufacturing industries in South East Nigeria.

4.3 Discussion of Findings

According to the data presented, foreign direct investment has a considerable impact on the working capital of manufacturing businesses in South East Nigeria. These findings differ from those of Moussa, Amadu, Idrissa, and Abdou (2019), who claimed that FDI had a detrimental influence on manufacturing business productivity. A 1% increase in foreign company productivity results in a 4.4% decrease in local firm productivity. Furthermore, a 1% increase in international corporations affects domestic firm sales growth

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

by 0.10%. According to Ayanwale (2017), the money generated by these investments can support the operations and activities of the manufacturing sector.

The findings also found that Global Value Chains have a substantial impact on the culture of corporate investment in South East Nigeria's industrial industry. This conclusion is consistent with the findings of Hollweg, Smith, and Taglioni (2017), who found that foreign investment allowed structural change and value chain development in Vietnam. According to Ebong (2018), globalisation has had a significant impact on modern development in Nigeria. Exchange responsiveness, in particular, influenced contemporary development.

5.1Summary of Findings

The research was developed with the end purpose of determining globalisation and the growth of Nigeria's industrial sector. The findings indicate that the primary problem of globalisation in Nigeria's industrial sector is collecting the necessary assets to keep the firm going. It is difficult for Nigerian organisations to upgrade existing computers to attain optimal performance. Most businesses continue to use outdated equipment that does not suit evolving customer tastes. The funds required to purchase the most recent framework is not difficult to obtain. A review of the literature revealed that organisations confront challenges as a result of globalisation, particularly in developing countries such as Nigeria.

The following are the numerous issues confronting Nigeria's manufacturing sector: The low customer demand is due to Nigerians' natural preference for imported goods. Framework shortfalls, such as frequent power outages, rare fuel shortages, and the low value of public money, the naira, make replacing ageing equipment difficult. Intermittent strikes by the workforce at times over political considerations immutable to senior management; strikes over rising fuel costs, etc.; a lack of working capital due to rising borrowing rates and tight credit conditions; a lack of natural substances; and varying manufacturing methods due to a lack of known trade. Because of the transit issue and the porosity of our public pipes, imported goods are less expensive than privately manufactured goods. The issue was with importing used products. When given the opportunity to compete with unfamiliar manufacturing firms, manufacturing organisations in Nigeria are frustrated by the challenges of mature or obsolete inventions and the incapacity of organisations to get the freshest and most advanced technologies. As a result, adjacent plants have difficulties in the global commodity market. When compared to imported machine-made prints, handmade prints are of poorer quality.

5.2 Conclusion

The paper examined Globalisation and Development of Manufacturing Organisations in South East of Nigeria. According to the findings, globalisation is assisting in driving the industrial expansion process. This is shown in the favourable impact of foreign direct investment and the global value chain, which has helped reshape the manufacturing sector narrative throughout the year. As a result, the study suggests that globalisation has had a considerable influence on the industrial sector in south-eastern Nigeria.

5.3 Recommendations

It is therefore recommended that there should be a clear guideline in government policy regarding priority sectors requiring foreign investment in Nigeria, among which sectors such as manufacturing should be prioritized for development. The spill-over effects of developing these sectors would be multiple

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

increases in employment rates, GDP and production, food supply and raw materials for industry (especially the local ones), foreign exchange earnings, etc.

Also, to increase global value chain involvement in manufacturing enterprises in Nigeria's South East and other regions of the country, the government should design a technologically robust manufacturing development policy that captures the global value chain in accordance with international standards.

References

Acikgoz, S. & Mert, M. (2019). Causality connection between economic, social and political Globalisation and economic growth in Turkey, 1970-2008. *Journal of Asia Pacific Studies,* 32 (10), 701-716.

Akinmulegan, A. O. & Oluwole, F. O. (2018).Assessing the Nigerian manufacturing sector in the era of Globalisation. *American Journal of Social and Management Sciences,* 1 (2), 27-31

Al-Hasan, S. & James, P. (2019). Cultural control and multinationals: The case of privatized Jordanian companies. *International Journal of Human Resource Management*, 14(7): 1284-1295.

Aluko, M. &Alimi, A. (2018). Globalisation and the manufacturing sector: A study of selected textile firms in Nigeria. *Journal of Social Science*, 9 (2), 119-130.

Ama, T.A. (2019). *Globa1iztion and Social Policy in Africa*. Research Network Codesria Bulletin. 4.

Bhagwati, J. (2018). In Defence of Globalization. Oxford University Press.

Chete, N.; Adeoti, J. O.; Adeyinka, F. M. and Ogundele, O. (2019). Industrial development and growth in Nigeria: Lessons and challenges, Learning to Compete, Working Paper No. 8, Nigerian Institute of Social and Economic Research (NISER), Ibadan

Darroch, J.T. (2020). The impact of human resource management practices on perceptions of organizational performance. *Academy of Management Journal*, 39(4), 949-969.

David, O., Abu, A.A., Alabi J.O., & Mohammed, A. (2018). The effect of foreign direct investment on the Nigerian manufacturing sector. *International Business and Management,* 4(2), 140-148.

Delery, J.E. & Doty, D.H. (2019). Modes of Theorizing in Strategic Human Resource Management: Tests of Universalistic, Contingency, and Configurational Performance Predictions. *Academy of Management Journa*l, 39(4): 802-835.

Egberi K.A. & Samuel, A.P. (2017). Globalization and Economic Growth in Nigeria: A Cointegration Approach, Journal of International Business and Economics, June 2017, 5(1), 105-113

Gantasala, P. (2019). The role of employee engagement in work related outcomes. *Far East Journal of Psycology and Business*, 3(7): 21-38

Gary Gereffi and Karina Fernandez-Stark. (2019). Global Value Chain Analysis: A Primer. *ResearchGate,* 41

Glass, A. J. & Saggi, K. (2019). Multinational firms and technology transfer. *Scandinavian Journal of Economics,* 104(4), 495–513.

Gygli, S., Haelg, F., Potrafke, N., & Sturm, J. E. (2019). The KOF globalisation index–revisited. The Review of International Organizations, 1-32.

Hill, C.W. (2018). Global business today (13th ed.) New York: Mc Grew Hill/ Irwin

Knickerbocker, F. T (2017). Oligopolistic reaction and multinational enterprise. Cambridge MA: Harvard Press

Korwatanasakul, U., & Paweenawat, S. W. (2021). Korwatanasakul, U., & Paweenawat, S. Trade, Global Value Chains, and SMEs in Thailand: A Firm-Level Panel Analysis. *Enhancing Sme Participation In Global Value Chains,* 166.

Lee, J. (2020). Global Commodity Chains and Global Value Chains. (I. R. Denemark, Ed.) TheInternational Studies Encyclopedia , 2987-3006

Loto, M. A. (2018). The impact of economic downturn on the performance of agricultural export in the Nigerian economy. *Journal of Emerging Trends in Economics and Management Sciences (JETEMS)*, 2 (6), 504-510.

Moussa, B., Amadu, I., Idrissa, O. & Abdou, B. (2019). The impact of Foreign Direct Investment on the productivity of manufacturing firms in Cameroon. *Journal of Economics and Development Studies*, 7(1):, pp. 25-34

National Bureau of Statistics. (2022). Nigerian Gross Domestic Product Report, Q1 2022

Nofal, J.J, Hollenbeck, B., Gerhart & Wright, P. (2018). *Human resources management: Gaining a competitive advantage*. New York: McGraw-Hill.

Noruzy, T. Lau-Chung, M. & Foley, S. (2019). Strategic human resource management, firm performance, and employee relations climate in China. *Human resource Management,* 47(1): 73-90

Nyeche, Ezebunwo & D. I. Ekine (2018). Trade Openness and Transport Sector Output Growth in Nigeria (1986-2019), *International Journal of Advanced Studies in Ecology, Development and Sustainability,* 5(1), ISSN Print: 2354-4252.

Obadan, M. I. (2019). Africa and the challenge of Globalisation: How should the continent respond? *Nigerian Journal of Economic and Financial Review,* 6 (2), 35-42.

Obadan, M. I. (2020). Globalisation: Concepts, opportunities and challenges for Nigeria development. Text of a Paper Presented at the Training Programme on Economic Reform.

Advance Journal of Management and Social Sciences
Adv. J. Man. Soc. Sci
Volume: 7; Issue: 01,
January-February, 2023
ISSN: 2383 – 6355
Impact Factor: 5.12
Advance Scholars Publication
Published by International Institute of Advance Scholars Development
https://aspjournals.org/Journals/index.php/ajmss/index

Obasanjo, O. (2018) Obasanjo's Economic Direction 1999-2003. Abuja, Nigeria: Office of the Honourable Minister, Economic Matters.

Obichukwu, U. I. (2019). The impact of industrial output on the economy of Nigeria, 1980 – 2020. Unpublished Project, Department of Economics, Faculty of Management and Social Sciences, Caritas University, Enugu State

Okowa, W. J. (2020). How the tropics underdeveloped the Negro: A questioning theory of development. Port Harcourt: Paragraphics an imprint of Jeson Services.

Rajneesh, Z.A. & Kaur, S.M. (2018). The influence of corporate culture and organizational commitment on performance. *Journal of Management Development,* 22 (8): 708-728

Richard, J. (2019). Measuring Organizational Performance: Towards Methodological Best Practice. *Journal of Management*, 8(2): 15-28

Schmukler, S. L. &Zoido-Lobaton, P. (2019). Financial Globalisation: Opportunities and Challenges for Developing Countries. Globalisation Policy Research Report and Seminar.World Bank.

Sheila, L.C. (2018). Globalization and Belonging: The Politics of Identify in a Changing World, Rowman and Littlefield. Pp. 10.

Tamuno, S.O. &Edoumiekumo, S. G. (2018). Industrialization and trade Globalisation: What hope for Nigeria. *International Journal of Academic Research in Business and Social Sciences,* 2 (6), 157-170.

Udu, A. A. & Ameh, A. A. (2019). Effects of Employee commitment on organisational performance in the Banking Industry: An evidence from First Bank Enugu Zonal Offices. *Scholarly Journal of Business Administration,* 6(1) pp.1-7

Ugwuonah, G. Onodugo, V. and Ebinne, E. (2020).*Social Science Research; Principles, methods and Application*, Enugu: EL'DEMARK Publishers.

Uzoka C. I. (2018). The impact of foreign direct investment on Nigeria economic growth (1980 – 2017). Unpublished Project, Caritas University, Emene: Enugu.

Venkatraman, T. & Vasudevan, H.W. (2019). Leadership styles and employee commitment: a test on Malaysia manufacturing industry. *African Journal of Marketing Management.* 1(6), pp. 133-139.

Zainol, T. & Ayadurai, H. (2019). The Future of Human Resources Management. Virginia: John Wiley and Sons Incorporated.