

## **AN EMPIRICAL ASSESSMENT OF THE CONCEPT OF ENVIRONMENTAL SCANNING ON ORGANIZATION PRODUCTIVITY IN MANUFACTURING FIRMS IN SOUTH EAST, NIGERIA**

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**Abstract:** The study focused on an empirical assessment of the concept of environmental Scanning on Organization Productivity in manufacturing firms in South East, Nigeria. In all 240 structured questionnaire were administered in the staff of different ranks in the selected department in the Manufacturing firms. The data collected with the questionnaire were analyzed using statistical package for social scientist (SPSS) version 20. Two hypotheses were postulated and tested using Godden Statistical tool for analysis and Taro Yamane. The result of the study revealed that environmental scanning Strategies has a significant positive effect on business growth, the study also found that techniques for effective environmental scanning has a significant effect on production activities. It was then recommended that, because of globalization environmental scanning strategies has to gain way for best practice in global business growth and techniques for effective environment scanning along with other production activities should be strictly observed for best practice.

### **Introduction**

Environmental scanning is the process of gathering information about events and their relationship within an organization's internal and external environments. The basic purpose of environmental scanning is to help management determine the future direction of the organization. Environmental checking or scanning is concerned with gathering and using the data or information about noticeable trending patterns, example, events, and connection that can unfavourably affect the business to decide future dangers, threats or opportunities.

Egede (200:1) noted that an organization to survive and prosper, the strategist must master the challenges of profoundly changing, political,

economic, technological, social and regulatory economic, technological, social and regulatory environment. Environmental scanning is one of the four activities comprising external analysis. The external analysis is the broader activity of understanding the changing external environment may impact the organization. In describing external analysis the organization scan the environment to identify changing trends and patterns monitor's specific trends and pattern, forecast the future direction of these change and pattern and assess their organization impact merged with internal analysis and weakness external analysis assist decision makers in formulating strategic directions and strategic plan.

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This emerging science has the promise of providing a better framework for maximizing opportunities and allocating resources in anticipation of environmental changes. When we scan it is useful to view the environment in a manner that organization over scanning effort, it entails obtaining environment in which a company is operating or is considering, entering.

Certo (1992:191) noted that, environment scanning pinpoint analysis to help them understand what is current in the society and of interest to their organization. The decision made by mortgagers must conform to what the environmental scanning analysis is done to identify environmental resources that are qualities, characteristics or component of the surroundings that an enterprises may utilize to achieve goals. Managers must look out for opportunities for their businesses as well as identify potential threats to it. By doing to viability of the enterprises can be assured. That means that the business enterprises can produce goods and service for which is demand or market quality and quantity that people would appreciate and want to pay their earn money

Environmental scanning include both looking at information and looking for information could range from casual conversions at the leach table or a change observation of an angry customers to formal market research programme or a scenario planning exercise, scanning behavior is influenced by external factors such as environment influences unrest, commotion resources depending, organization factor such as the nature of the business and the strategy pursued. Information factors such as the scanner knowledge or cognitive styles. Thus, many research studies on scanning investigate the effect of situation dimension, organizational

strategies and information need and personnel traits on scanning behaviour.

According to Morrison (1992), Brown and Weiner (1985) define environmental scanning as a kind of radar to scan the world systematically and signal the new, the unexpected, the major and the minor. Environmental scanning is a process of gathering information about the events and their relationship with the internal and external environment of the organization. The primary aim of environmental scanning is to out the future prospects of business organization. As a significant resource to management, the environment scanning committee enables the management to make decision from fundamental analysis of historical events to estimate future events. The committee also helps in creating action plans to address these upcoming events, analyzing action plans and arranging appropriate resources for the plans and putting management contact with fellow employees with the knowledge set to provide quality data for decision making.

Environmental scanning is the process of collection, evaluating and delivering information for a strategic purpose is defined as environmental scanning. The process of environmental scanning requires both accurate and personalized data on the business environment to which the organization is operating.

The objectives of environmental scanning is to alert decision makers to potentially significant external changes before they crystallize so that decision makers have sufficient lead time to react to the change.

### **Statement of the Problem**

Nigeria perceives environmental scanning to unanalyzable and so does not understand it. Consequently, this has resulted in poor

understanding of the scanning resulting, ill-defined problems as lack of awareness and unsystematic approach of environmental scanning. The information they seek are casual and opportunistic, they also move on irregular contacts and information from external sources. Consequently, this will result to inaccurate information on the threats and opportunities, strength and weakness of the business environment, gathering of false data. Competitors strength, lack of tools that are not effective for information scanning.

Therein, in some situations issue are imposed by the external environment, as when government of agencies, industries association, consumer group or other stakeholders ring forth of concern.

Consequently, this has resulted to the manufacturing firms not finding interest in carrying out environmental ling, lack of motivation and managers who discover important events and trends outside their organization, not finding interested in environmental scanning because of the high cost and issued imposed by the external environment. Most of techniques used in scanning the manufacturing firms are outdated and information needed by the manufacturing firms is ill defined. This result to ineffectiveness and lack of efficiency among staff and productivity will be adversely affected competitors may come in and out way them because of lack of well-defined information.

Naturally, most of environmental scanning strategies of Nigeria manufacturing firms, lack efficient and effective business performance. This result to managerial incompetence and lack of promotion to business and economic environment on organizational productivity. There will be no relationship between environmental scanning technique and

organizational productivity. These entire problems therefore employ for further investigation in the study.

### **Objectives of the Study**

The main purpose of this study is to examine an empirical assessment of the concept of environmental scanning on organizational productivity in selected manufacturing rims in South East, Nigeria. The specific objectives of the study are:

- To examine the effect of environmental scanning strategies on business growth.
- To determine the effect of techniques for effective environmental scanning production activities.

### **Research Questions**

The stated objectives of the study give rise to a number of questions, the question are as follows:

- What is the extent of the effect of environmental scanning strategies on business growth.
- To what extent is techniques for effective environmental scanning relate to production activities.

### **Research Hypotheses**

- Environmental Scanning strategies has no significance positive effect on business growth.
- Techniques for effective environmental scanning has no significant effect on production activities.

### **Literature Review**

#### **Concept Framework**

The goal of environmental scanning is to alert decision makers to potentially significant external changes before they crystallize so that decision makers have sufficient lead time to react to the change. Consequently, the scope of environmental scanning is broad.

### **Sources of Internal and External Environmental Information**

Environmental information is related to the internal strengths and weaknesses of the organization should be available in the organizations. Management Information System (MIS). The information may also be gathered through informal sources. Typically this type of information will be found in annual, quarterly, and monthly financial reports, in Cost analyses, in Capital budget statements in Cost benefit analysis in personnel reports on major human resources concerns, in marketing report on sales and related information and so forth. One should encounter few problems in obtaining relevant internal information, if the MIS is properly designed and implemented. Most systems, however, contain only limited information on human resources and cultural matters. Organizations are only beginning to recognize the need for and applications of this type of information. While organizations usually collect data on absenteeism, tardiness, turnover, and so forth, they seldom measure organizational climate, satisfaction, leadership style and the like important ingredients in productivity (Higgins and Vineze, 1989:71-72). The strategic purpose of obtaining information on internal and weaknesses is to compare them with perceived external environmental threats and opportunities and to make decision on the basis of these comparisons. Aguilar has described four modes of scanning the external environment for information about threats and opportunities.

1. Undirected viewing: general exposure to information with no purpose other than exploration.
2. Conditioned viewing: directed exposure to, but not active search for, specific kinds of

data, which will be assessed as they are encountered.

3. Informal search: search for specific information carried out in a limited and relatively unstructured manner.

4. Formal search: active, deliberate, structured search for specific information undertaken with a purpose in mind. Phillipps Petroleum Company's highly sophisticated Decision Support System integrates environmental information with internal capabilities.

Most organization use all four types of scanning depending on the cost benefit of each. These four approaches form a continuum from general exposure to information to active and deliberate search for specific information. Every firm must remain alert to the general environment and to its own operations.

As bits and pieces of information obtained in the course of this scanning indicate changes in factors relevant to the formulation of strategy, then other, more directed types of scanning should being. A formal search is desirable anytime specific information is needed for strategy formulation.

Therein, information on environmental factors can be obtained through various sources. The wall street Journal and other newspapers, Fortune, Business Week, Harvard Business Review, and numerous scholarly popular, and trade Journals are important sources. Any number of government, industry, news media, research, and reporting service provide additional information.

The various information sources vary in validity and reliability, as well as in accessibility and timeliness. Much of the information used is gathered from secondary sources, but primary data may be gathered if the organization can afford the cost of research. While internal

information sources may allow the organization to approach a real-time (up-to date), on-line MIS, constraints on environmental sources make a real – time environment MIS unlikely. The informal information system may be used more than the formal system. Information sharing among organization is useful and has proved to be successful.

### **Characteristic of Environmental Scanning**

The characteristic of Environmental Scanning are as follows:

1. Continuous process: The analysis of the environment is continuous process rather than being sporadic. The rapidly changing environment has to be captured continuously to be on track.
2. Exploratory process: Scanning is an exploratory. Process that keep monitoring the environment to bring out the possibilities and unknown dimensions of the future. It stresses the fact that “what could happen” and not “what will happen”.
3. Dynamic Process: Environmental Scanning is not static. it is a dynamic process and depends on changing stations.
4. Holistic view. Environmental scanning focuses on the complete view of the environment rather than viewing it partially.

### **Components of Environmental Scanning**

1. Internal environment components: the components that lie within the organization are internal components and changes in this effect the general performance of the organization. Human resources, capital resources and technological resources are some of the internal environmental components.
2. External Environment Components: The components that fall outside the business. Organization are called external environmental

components lie outside the organization, they still affect the transitional activities. The external components can be divided into micro environmental components and macro environmental components.

Micro environmental components include competitors, consumers, markers, suppliers, organization etc, Macro environmental components include political, legal, economic, cultural, demographic and technological factors.

### **Techniques of Environmental Scanning:**

1. SWOT Analysis: SWOT analysis is an acronym for strength, weaknesses, opportunities and threats analysis of the environment strength and weaknesses are considered as internal factors whereas opportunities and threat are external factor. These factors determine the course of action to ensure the growth of the business.
2. PEST Analysis: PEST stands for political, economic, social and technological analysis of the environment. It deals with the external macro environment.
3. ETOP: ETOP stands for the environmental threats opportunity profile. It helps on organization to analyze the impact of the environment based on threats and opportunities.
4. Quest: Quest stand for the quick environmental scanning technique. This techniques is designed to analyze the environment quickly and in expensively so that businesses can focus on critical issues that have to be addressed in a short span.

### **Process of environmental scanning**

1. Scanning: the process of analyzing the environment to spot the factors that may impact the business is known as environmental scanning. It alerts the enterprise to take suitable

strategic decisions before it reaches a critical situation.

2. **Monitoring:** the data is gathered from various sources and is utilized to monitor and find out the trends and patterns in the environment. The main sources of collecting data are spying, publication talks with customers, suppliers, dealers and employees.

3. **Forecasting:** the process of estimating future events based on previously analyzed data is known as environmental forecasting.

4. **Assessment:** this stage, the environmental factors are assessed to identify whether they provide an opportunity for the business or pose a threat.

#### **Importance of environmental Scanning**

1. **Goal accomplishment:** the objective of an organization cannot be fulfilled unless it adopts itself to environmental changes. One has to adjust the strategies to fit in the changing demands of the environment.

2. **Threat and weakness identification:** for an organization to grow, it must minimize its threat and identify its weaknesses. This is made possible with the help of environmental scanning with which better strategies can be developed.

3. **Future forecast:** environmental changes are often unpredictable. An organization cannot anticipate all the future events but based on the analysis. It can make better strategic decision in the future. Hence, environmental analysis helps to forecast the prospects of the business.

4. **Market knowledge:** every organization must be aware of the ongoing changes in the market. If it fails to incorporate strategic change due to changing demands it will not be able to achieve its objectives.

5. **Focus on customer:** environment scanning and analysis make an organization

sensitive to the changing needs and expectations of the customer.

6. **Opportunities identification:** with the analysis of the current environment an organization will be able to identify the possible opportunities and take necessary steps.

#### **Limitations of environmental scanning**

1. **Overloading of information** may sometimes result in indecision. Hence, it is not completely reliable.

2. It does not forecast on the future or eliminate uncertainties. Organizations may face unexpected events. However, environmental scanning should aim at minimizing such threats to the business.

3. It often makes an organization cautious and thereby delays decision making. It is better to have a strategic approach to analyze the environment and take decision or action on time

4. When the organizations rely completely on the analyzed information without data verification and accuracy, it may lead to deviation in the desired outcomes.

#### **Determining Strength and Weakness**

This is the end of analyzing the internal environment and to discover areas of strengths and weaknesses on the strength of this discovery shall strategy formulation based. Therein, it will help the managers of the firm to know how they can improve on their capacity in the future. This they do by strengthening areas competence and improving in the areas where they are weak. It is pertinent to note from the onset that there is no hard-and-fast method of determining firms strengths and weaknesses. It is usually done in the light of an organization's uniqueness or peculiarity.

Barnett and Wilsted noted that tangible resources of an organization are as follows:

1. **People resources:** this is what modern scholars call human resources it comprises, the

management employee, stakeholders, consultants and all those who in one way or the other make useful inputs towards the organization process.

2. Facilities and Equipment: These are physical capital goods, which help in the production process for example plants, computer tools, warehouses, transportation means etc.

3. Product market: this consists mainly of those it buys from and those it sales to. The potential exchange of resource between the organization and either the supplier group or the consumer group cannot be overlooked.

4. Intangible resources: these are non-physical means that said an origination, in carrying out it function. Among many the managerial processes, legal relationship, goodwill and reputation, relationship with the government and other public institutions that matter to mention but a few.

### **Theoretical Framework**

The General System Theory aims at looking at the entire world as a composite of co-existing, interacting and interrelating elements. This is not to undermine or downplay the value of studying units subsystems or even systems within a larger content (or reductionist approach) as is done in specialization, but to place all disciplines within proper perspective of the whole. As captured by Laszio and Kripper (1997), the General System approach encourages the development of a global, more unitary consciousness, teamwork, collaboration learning for life and exposure to the universal storehouse of accumulated knowledge and wisdom.”

Boulding (1956) as cited in Walonick (1993:10) had earlier indicated this by stating that the general system theory aims to provide a framework or structure on which to hang the

flash blood of particular subject matters in an orderly and coherent corpus of knowledge. In 1974, Kidun extended the theory to replace the fact that the knowledge of a part of a system facilities the knowledge of another part. A system can either be controlled (cybematic) or uncontrolled.. a controlled system sensed information (Detector), applies rules to take decision on what is sensed (selector) and makes some transaction or communication between the system (Effector).

Kuhn (1974) noted that, the aim of decision (communication and transaction) between system is to achieve equilibrium. A system can either be a closed system in which case interactions occur only between elements within the system and not with any system outside it, or an open system where interactions occur both within the system and outside it. Closed system tend towards negative entropy with the likelihood of decaying due to the absence of exchanges with outside systems. Kuhn (1974) also gave insights into how systems could be studied. They could be studied by Cross – sectional method where the interactions between two systems are examined or by developmental approach by which changes that take place in a system over a period of time are looked at. A system can be evaluated holistically by looking at its functioning in totality or by a reductionist manner where sub-systems within the system are studied. Lastly a functionalist approach could be used where an upward examination of the interactions of the system with a larger system is carried out.

**THE CORPORATE SOCIAL RESPONSIBILITY (CSR)** Theory European Commission in Brammer et al (2014) looked at an institutional perspective of CSR of focusing on the determinants of whether and in what forms corporations take on social

responsibilities. “They define social responsibility as a concept whereby companies integrate social and environmental issues in their business operations and in their interactions with their stakeholders on a voluntary basis” This voluntarism appears to explain why despite many researches indicating no or even negative link between corporate social performance and profits more corporations still engage in CSR.

### **The Impact of Environmental Scanning on Business in Nigeria Business**

1. A business organization has short term and long-term objectives. Proper analyses of environmental factors help the business firm to frame plans and policies that could help in easy accomplishment of those organizational objectives. Without undertaking environmental scanning, the firm cannot develop a strategy for business success.

2. Decision – making is a process of selecting the best alternative from among various available alternatives. An environmental analysis is an extremely important tool in understanding and decision making in all situation of the business. Success of the firm depends upon the precise decision making ability. Study of environmental analyses enables the firm to select the best option for the success and growth of the firm.

### **Empirical Review**

A lot of study has been carried out on the impact of the environment on various sections of the Nigeria economy, but in a disaggregated manner. Each research normally takes a particular aspect of the environment and examines its impact on a sector of the economy. Eze and Ogiji (2017) noted that the impact of fiscal policy on manufacturing out of Nigeria companies. They showed a long term relationship between government expenditure

on one hand and manufacturing output and capacity utilization on the other hand. The impact was positive and significant.

Kwaghe (2011) pointed to the fact that power failure increases the cost of production of small and medium scale enterprises in Abuja Nigeria. Adelegan (2011) looked at infrastructural deficiency and investment in the manufacturing firm so Nigeria. Gads and Nmadu (2011) similarly showed that electricity as an infrastructural resource significantly determines the performance of textile companies in the North West zone of Nigeria. This research aggregates various environmental issues and assesses the impact of the aggregate on the performance of companies. The impact of the energy sector on the competitiveness of the Nigeria economy was underscored by Adenikinju (2008) while Jarossi and Clarke (2011) showed that energy supply was considered as the number one challenge amongst businesses in Nigeria.

Dogara (2015) note that the impact of the Nigerian business environment on company performance: a case of 20 most capitalized companies in Nigeria. According to the study there is a theoretical agreement that the environments within which businesses operate have great bearing on their performance. This research shows the empirical standing of this theoretical convergence with respect to the 20 most capitalized companies in Nigeria. Using the ordinary least square and simple multiple correlation methods, we show the impact of the Nigerian business environment on the performance of these companies. Collectively, the variables of the environment have significant and positive impact on the company's performance. Government expenditure and inflation have positive impact while exchange rate and interest rate have



negative impact but on the whole there is a positive and significant impact. Amongst the recommendations are that government should pay more attention to capital expenditure on vital-sectors like infrastructures and education while maintaining fiscal stability. The private sector should partner with government in infrastructural investment instead of each company providing its own infrastructures.

#### **METHODOLOGY**

The method of research used in this study is the survey method of research. Survey have several advantages. They can be used to investigate problems in realistic setting. Survey involves asking respondents in a research who have best exposed to the phenomenon. Put in another way, it is the systematic gathering of information from respondents for the purpose of predicting some aspect of the behavior of the population. The data for this study were obtained majorly from primary source of data and some relevant materials from secondary source. The primary data used for analysis in this study were collected through the use of structured questionnaire.

#### **Population of the Study**

Population may be defined as all the conceivable elements that make up a group. The population comprises of all the members of staff in the Production department, Marketing department, Accounting department and Administrative department. The breakdown of the population is as follows:

Department	Members of Staff
Production Department	285
Marketing Department	192
Accounting Department	43
Admin Department	82
<b>Total</b>	<b>602</b>

#### **Source: Field Survey, 2024**

Therefore, the population of the study is six hundred and two (602) staff in production

department, marketing department, accounting department and Administrative department at Ama Breweries Amaeke Ngwo 9<sup>th</sup> Mile Corner Enugu, Enugu State.

#### **The Research Frame of the Study**

Nnadi, (2018) note that a frame is based on a facts in which a population is represented so that a sample may be taken. In this study the total states to be studied constitutes the structure.

#### **Sample Size Determination and Sampling Techniques**

Appropriate sample size in research study is better done by the use of a statistical techniques or formular, particularly when dealing with the population. Although many other ways or techniques are employed in statistically arriving at an appropriate sample size, the formular that has gained popularity is the Taro Yamane's formular. Yamane (1964:28) noted that, the sample size of a definite population is given by the formular.

$$n = \frac{N}{1+N(e)^2}$$

where n = Sample Size  
N = Population of the Study  
1 = Mathematical Constant  
e = Margin of error

In this study, the population is 602 and the margin of acceptable or allowable error is 0.05 i.e. 5% substituting in the above formular, we have

$$n = \frac{602}{1+602(0.05)^2}$$

$$n = \frac{602}{1+602 \times 0.0025}$$

$$n = \frac{602}{1+1.505}$$

$$n = \frac{602}{2.505}$$

$$n = 240,319$$

Approximately equal to 240.

Therefore, the total Sample Size is 240.

### **Stratified Sampling**

To get the sample size for both the junior and senior cadre, we have or make use of the Kumar's formular.

Bowley (1976:137) noted that the proportional allocation formular is given by:

$$N_h = \frac{nN_h}{N}$$

Where  $n_h$  = Sample Size for each department

$N_h$  = Population for each department

$n$  = Total Sample Size

$N$  = Total Population for

all the department

Therefore, for Production department, we have:

$$n_h = \frac{240 \times 285}{602} = 113.621$$

Approximately equal to 114

For Marketing department we have

$$n_h = \frac{240 \times 192}{602} = 76.48$$

Approximately equal to 76

For Accounting department we have;

$$n_h = \frac{240 \times 43}{602} = 17.143$$

Approximately equal to 17

For Administrative department we have

$$n_h = \frac{240 \times 82}{602} = 32.69$$

Approximately equal to 33

### **Method of Data Collection**

Data for this study were collected by the use of the questionnaire, personal interview and observation. The researcher distributed questionnaire to respondents and some of those respondents, were equally interviewed.

### **Validity of the Instrument**

By validity of the instrument, we mean the extent to which the instrument measures what it is supposed to measure or accomplishes what it is supposed to accomplish. The researcher used the expert (face) validity, where the supervisor scrutinizes the research question items to make sure that they are relevant to the study.

### **Reliability of the Instrument**

To test the reliability of the instrument, the researcher used the test re-test method, where respondents who have been administered with the questionnaire, where after one week administered with the same questionnaire. The results obtained in the second questionnaire were compared with the first one.

### **Method of Data Presentation and Analysis**

The data for the study were presented in table, using frequencies and percentages. The data were analyzed using inferential statistics.

The hypotheses were tested, using the Chi-Square distribution formular. According to the chi-square formular  $X^2 = \sum \frac{(O_i - E_i)^2}{E_i}$

Where

$X^2$  = Chi – Square

$\sum$  = Summation Sign

$O$  = Observation

frequency

$E$  = Expected frequency

### **Presentation and Analysis of Data**

#### **Hypothesis One**

Environmental Scanning Strategies has no significant positive effect on business growth.

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Hypothesis one was tested using table 4.6 computing the expected value (ei), we have

$$ei = \frac{\text{Sum of frequency}}{\text{Number of element}}$$

$$ei = \frac{138}{3} = 46$$

**Constructing the Contingency table, we have**

Response	O <sub>i</sub>	E <sub>i</sub>	O <sub>i</sub> - E <sub>i</sub>	(O <sub>i</sub> - E <sub>i</sub> ) <sup>2</sup>	$\frac{(O_i - E_i)^2}{E_i}$
Strongly Agree	117	46	71	5041	109.59
Disagree	10	46	036	1296	28.17
Undecided	11	46	-35	1225	26.63
<b>Total</b>	<b>138</b>				<b>164.39</b>

**Source: Field Survey, 2024.**

$$X^2 = \frac{(117-46)^2}{46} + \frac{(10-46)^2}{46} + \frac{(11-46)^2}{46}$$

$$= 109.59 + 28.17 + 26.63 = 164.39$$

The calculated value is 164.39

The level of Significant is 5% i.e (0.05)

Degree of freedom  $n - 1 = 3 - 1 = 2$  degree of freedom

The critical value (i.e table value) at 2 degree of freedom and 0.05

level of significance = 5.99

The calculated value (164.39) is greater than (>) the critical value (5.99)

Since 164.39, the research will reject  $H_0$  and accept  $H_1$

**Decision:** Environmental Scanning Strategies has no significant positive effect on business growth.

### **Hypothesis Two**

Techniques for effective Environmental Scanning Strategies has no significant positive effect on Production activities.

The above hypothesis was tested using table

$$ei = \frac{\text{Sum of frequency}}{\text{Number of element}}$$

$$ei = \frac{138}{3} = 46$$

**Constructing the Contingency table, we have**

Response	O <sub>i</sub>	E <sub>i</sub>	O <sub>i</sub> - E <sub>i</sub>	(O <sub>i</sub> - E <sub>i</sub> ) <sup>2</sup>	$\frac{(O_i - E_i)^2}{E_i}$
Strongly Agree	134	46	88	7744	168.35
Disagree	=	46	- 46	2116	46.00
Undecided	4	46	- 42	17.64	38.35
<b>Total</b>	<b>138</b>				<b>252.70</b>

**Source: Field Survey, 2024.**

This is a case of 3 x 1 contingency

$$X^2 = \frac{(134-46)^2}{46} + \frac{(0-46)^2}{46} + \frac{(4-46)^2}{46}$$

$$= 168.35 + 46.00 + 38.35 = 252.70$$

The calculated value is 252.70

The level of Significant is 5% i.e (0.05)

Degree of freedom  $n - 1 = 3 - 1 = 2$  degree of freedom

The critical value (i.e table value) at 2 degree of freedom and 0.05 level of significance = 5.99

The calculated value (164.39) is greater than (>) the critical value (5.99)

Since 252.70, the research will reject  $H_0$  and accept  $H_2$

**Decision:** Techniques for effective Environmental Scanning has no significant effect on production activities.

### **Summary of Findings**

Following this research work the study made the following discoveries that:

1. Environmental Scanning strategies has a significant positive effect on business growth.
2. Techniques for effective environmental scanning has no significant effect on production activities.

### **Conclusion**

The study investigates an empirical assessment of the concept of environmental scanning on organization productivity in selected manufacturing firms in South East, Nigeria. Based on the result of the study, it was found that environmental scanning in Nigeria were still rudimentary with problems that by monitoring the manufacturing environment and tracking the changes in the environment could have big effect on manufacturing industries. Application of environmental scanning in manufacturing industry and understanding changes in the manufacturing industry environment is a key element of managing and understanding industrial risk. The study concludes that the involvement of scanning strategies will transform manufacturing practice in South East Nigeria into using international best practice.

### **Recommendations**

1. Because of globalization environmental scanning strategies has to gain way for best practice in global business growth.
2. Techniques for effective environmental scanning along with other production activities should be strictly observed for best practice.

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