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## Franchise as a Tool for Business Growth and Employment Generation in Nigeria: A Case of 9 Mobile Nigeria Limited

Aikor, Shirgba Timothy  
The School of Post-Graduate Studies,  
Department of Business Administration,  
Nasarawa State University, Keffi.  
[Shirgba@gmail.com](mailto:Shirgba@gmail.com)

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### Abstract

*Franchise as a business model has recently been argued to be the new bride of emerging entrepreneurs in Nigeria as well as foreign investors. The main objective of this study is to assess the role of franchising as a tool for business growth and employment generation in Nigeria using 9Mobile Nigeria limited as a case study. The study has also identified the factors that inhibit the fast growth of this business model in Nigeria.*

*The design adopted for the study is descriptive survey with a population of 109, where sample size of 71 was selected using Taro Yamanes's formula. The study found that; franchising is truly an emerging business strategy that promotes business growth and reduces unemployment by creating jobs. The study identifies certain constraints for growth of this business model to include; poor access to finance, poor infrastructural facilities, low technical know-how, overbearing influence of the Franchisor, absence of institutional framework and low returns on investment. The study therefore, recommends the enactment of a franchise regulatory framework, improve the road and other relevant infrastructure, enhance access to finance and promote greater awareness on the franchise business concept to ensure growth of businesses and employment generation in Nigeria.*

**Key words:** Franchise, Business Growth, Employment Generation

### INTRODUCTION

Every business even though started as a small one aims to grow into a bigger and better one in future, the "bigger" in this case is in term of coverage, expansion in products and distribution network and profitability. It also aims to get better by way of efficiency, higher profitability, more effective ant to improve its productivity. As the business grows and expands, it naturally will require more hands, therefore generating employment; thereby making business growth and employment generation become "twin concepts" in national development. Every entrepreneur

therefore strives to grow and expand using different strategies, one of such strategies is the emerging business model known as Franchise. Herbert and Gullet, (1999) defines franchising as an entry strategy in multinational business and it is as a growing licensing in which a franchisor provides a standard package of products, marketing, and management system that have been successful at home to a franchisee in the foreign country. This business model has the potential benefit of making business capital available to emerging entrepreneurs whose main challenge is takeoff capital and the finance to expand. Franchising also supports transfer of technical know-how, increase knowledge of the business and improve the market environment.

9Mobile Nigeria limited (formerly known as Etisalat Nigeria Limited) is a Global franchise arrangement between Nigerian entrepreneurs and Etisalat International; a world class telecommunications company providing seamless voice and super-fast broadband services for both personal and business applications with headquarters in Abu Dhabi, the company has operations in 19 countries across the Middle East, Asia and Africa. 9Mobile Nigeria Limited formerly known as Etisalat Nigeria is one of the nation's most innovative telecommunication networks. The company started operations in Nigeria in 2008, with less than 100 staff startup, but as at December, 2014, they expand to have about 2,000 staff with offices and outlets nationwide. According to Dr Ibrahim Dikko (2014), the Vice President, Regulatory and Corporate Affairs has this to say about the growth and expansion of the company "Our Nigerian operations commenced after Emerging Markets Telecommunications Services (EMTS) acquired from the Nigerian Communications Commission a United Access Service License and a 2G license to use spectrum in the 900 MHz and 1800 MHz bands in 2007, and a 3G license to offer services with frequencies in the 2.1 GHz band in 2010. Since our groundbreaking "0809uchoose" campaign which marked the beginning of our operations in 2008, our subscriber base has grown to a total of 21,103,749 as at December 2014. We have also made significant progress in service delivery with the launch of our 3.75G network in September 2011. The year 2014 was indeed a year of growth for us, in terms of our internal operations and also in our investments as corporate citizens with the activities of individual teams contributing to the success of our business operations across the country. During this reporting year, we were able to identify the people who matter the most and what matters to them. This enabled us to position ourselves strategically to pursue maximum satisfaction for all our stakeholders. We made notable advancements in forging a sustainable path for ourselves, and the result was evident in many ratings both within and outside the organisation, including our customer satisfaction rating. Furthermore, we were able to capture a holistic picture of the health of our operations which tells the story of where we have come from and presents a path we can continue to walk in".

The company supports employment generation through direct employment of skilled and unskilled labour, appointment of entrepreneurs as business vendors for their products( sale of recharge cards, handsets, phone accessories, etc) , training schemes for staff, customers and young graduates (school- to- work transition),empowering SMEs through the provision of seed capital for starts ups and "The Market Access Nigeria" platform, health care support, educational support through grants and skills acquisition programmes.

## CONCEPTUAL FRAMEWORK

### Franchise

The International Franchise Association (IFA, 2001) defines franchising as an agreement or license between two legally independent parties which gives; A person or group of people (The Franchisee) the right to market the product or service using the trademark or trade name of another business (The Franchisor). Kotler and Armstrong, (2004) defines franchise as a contractual association between a manufacturer, wholesaler or service organization (franchisor)

and independent business people (franchisee) who buy the right to own and operate one or more units in the franchise system.

According to Herbert and Gullet, (1999), franchising can be considered as an entry strategy in multinational business and it is as a growing licensing in which a franchisor provides a standard package of products, marketing, and management system that have been successful at home. Boyd (2002) defines franchising as grants or the offer of rights to use another company's name, trademark, and technology by another company. Perrault and McCarthy, (2006) defines franchise as an operation, where the franchisor develops a good marketing strategy and the retail franchisee holders carry out the strategy in their own units. Walsh, (2001), in his International consideration of franchising, consider it as, a form of licensing, in which the franchisor provides a standard package of components, or ingredient together with management and marketing services or advice and where the franchisee provides capital, knowledge and personal involvement.

It is the study's view that, all the above definitions convey very key salient points namely: Capital, Knowledge, Equipment and Market. While the franchisor has the capital and Equipments, the franchisee comes handy with knowledge and market. In all these instances, the franchisee sign an agreement with the franchisor to follow the franchisors rules and regulations designed for a very successful partnership. The franchisee normally pays a take-off fee called 'Franchise Fee' for the rights transferred to him by the franchisor. In return, the franchisor agrees to pay an agreed commission.

This business model has the potential for making business capital available to emerging entrepreneurs whose main challenge is takeoff capital and access to finance for expansion. One key advantage is that such entrepreneurs have the technical knowledge of the business and and understanding of the market environment.

### **Types of Franchise**

Boyd, Walker, Mullins and Larreche, (2002) describe four classifications of franchise as:

**Manufacturer-Retailer Franchise System:** In this case, franchisor releases his goods to the retailer (franchisee) who sales them directly to final consumers. Most automobiles and petroleum business falls in this group. This system has the highest sales volume and accounts for the largest franchise arrangements.

**The Manufacturer-Wholesaler System** - Here, the manufacturer deals with the wholesalers who then transact with the retailers.

**The Wholesaler-Retailer System** under this arrangement, the retailer deals with the wholesaler who in turn deals with the manufacturer.

**The Service Sponsor - Retailer Franchise System** - This system is the most common found in fast food, hotels, rentals and auto repair among others. The retailer carries out the duties of the manufacturer directly as his representative.

### **CONCEPT OF BUSINESS GROWTH**

Business growth can be defined as the process of improving on the capacity and ability of a firm to succeed. It can be realized by either boosting the top line revenue base of the business

essentially with greater market sales or income from offer of services also known as service income. It can also be the ability of the firm to increase in profitability through minimization of product costs and others so associated therein. When a business sells more products, generate more revenue and cuts cost, then it is considered to be growing.

The firm usually strategizes to achieve this since it cannot be realized by happenstance. The strategy so adopted must be aimed at winning larger market share, even at the expense of short term earnings. There are basically four strategies usually adopted; market development, market penetration, product development and business diversification.

Firms sometimes diversify their activities to enable them manage risks or expand into new markets. Market concentration is a strategic approach by a firm to focus on a particular single market or product. In this case the firm concentrates her resources in the production and marketing of such products in a particular location. This means, the franchisee carries any risk associated with strong competition in such sector or product with any attendant losses if any. Market development on the hand, is the strategy whereby a firm expands into untapped markets by finding new groups of buyers as potential customers for existing products and services.

When a firm is growing, it ensures the survival of the firm. Business survival therefore is the ability to manage and stay in business. In other words, it is the act of continuing with day to day business activity without necessarily been overwhelmed by interruptions. Normally, a business undergoes several challenges which may include; intense competition; recession in the general economy; natural factors or even hostile government policy. In business just like any aspect of life, you must use good times to plan for the bad day in order to stay in business. Business survival has direct correlation with the aims and objectives of setting up the business, including the expansion plan and business growth. Business survival entails not only managing to stay in business but stay and achieve the objectives of setting up the business and its plan.

### **CONCEPT OF EMPLOYMENT GENERATION**

Employment generation is the process whereby the labour force is engaged in productive activities in the economy. Full employment is the best form of employment and it is defined by Beveridge (1994) as situation where there are more jobs than the working population. Full employment does not mean that everybody in the labour force is employed. A condition of full employment can be said to exist if the number of unfilled vacancies is equal to the number of people who are out of work (Hanson, 2013).

Employment generation continues to receive high attention because of its impact on unemployment and poverty reduction and the general socio economic well-being of the people in many parts of the world. Franchise as an emerging strategy in addressing development challenges supports employment generation. In support of this assertion, the Executive Secretary of Nigeria International Franchise Association (NIFA), Michael Olayinka has this to say, 'Franchising has become a globally accepted business model for small and medium enterprises development in most economies'. According to Babalola (2016), franchising does not only promote business growth, it is also an economic empowerment tool, which can benefit start-up companies and help develop the Nigerian Small and Medium Enterprise (SMEs), thereby generating employment. An example, the expansion of Food Concepts and Entertainment Ltd operations Nigeria's company, a Lagos based company to other countries in Africa. This company owns Chicken Republic and Butter field Bakery operating in South Africa since 2007 while others like Mr. Biggs and Tantalizers are offering home franchises. The operations of these companies help generate employment in no small measure as skilled workers in the hospitality

industry and other professionals like engineers and accountants are recruited. Their suppliers who are mostly farmers also earn income from doing business with them

## **THEORITICAL FRAMEWORK**

### **Resource Acquisition Theory**

In 1989, Oxenfield and Kelly published an article entitled 'will successful franchise system ultimately become wholly owned chain' which states that franchise is part of a life cycle? This system is adopted by firms to overcome scarce resources in their efforts to gain growth, forecasting in the future toward company ownership. Oxenfield and Kelly were the first to formulate the term 'Resource scarcity view', which asserts that a nascent firm builds a brand in order to create economies of scale in advertising and publishing (Combs, 2010); Oxenfield and Kaelly, 1969). This theory envisages rapid growth in new venture in order to gain the capacity to compete with others successfully. Franchise is a method which permits new firms to rapidly penetrate the market and achieve access to key resources (Oxenfield, Kelly, 1969).

Franchising therefore, can clearly be seen to be an alternative to overcome constraints to growth, as lack of trained managers and financial capital is addressed (Michael, 2003). In the same perspective, the resources scarcity theory views franchising as an inexpensive source of capital, enabling the franchisor to raise capital at a lower cost than other possible arrangements (Norton, 1988). Another prediction of the resource scarcity view is that, franchisors will maintain the ownership over new outlets and will tend to repurchase the old ones in the extent to which economies of scale are achieved in a phenomenon known as 'ownership prediction' (Dant, 1996). According to this theory, franchising would be advantageous to the franchisor particularly in the preliminary years because of the availability of resources such as capital, information about the business environment and availability of labour force. The implementation of the concept also brings about economies of scale together as the business chain grows due to available abilities (managerial, training, etc) and finance.(Oxenfield and Kelly, 1969; Dant, Kuasffmann, and Paswan, 1992, Micheal, 2003). Resource scarcity theory just like the agency theory makes efforts at explaining or justifying the reason for adopting franchise as a business strategy by the franchisors and why decides to franchise different proportions of outlets (Castrogiovinni, 2006). This theory has direct bearing on the subject topic as it is addressing the issue of resource allocation and business growth. The theory sees franchising as a good strategy to overcome the constraints to business growth and to compete favorably and promote employment generation.

### **Agency Theory**

Agency theory gains its foundation from the theory of the firm encapsulated by Coase in his article titled "The nature of the firm" published in 1973. In this theory, the general principle is that price alone cannot determine the market action, hence the need to know the role of the firm. This theory can be discussed from two perspectives; under market, allocation of resources is dependent on price, but under the, hierarchy, it is as the entrepreneur who decides on how resources are allocated. The agency theory is founded on the principal - agent relationship, having the information transfer process, the information asymmetry problem and associated monitoring costs as its basis (Quinn, Doherty, 2000).

According to the dictates of this theory, efficiency in the delivery of goods is link to the success of the organization which is tied to the control of agency problem. It assumed that the agency problem come about when the managers interest clash with the interest of the owner of the business. It is naturally considered that, the manager will be agent of the entrepreneur and will therefore represent his interest at all times but unfortunately this has not been the case.

This theory envisages a solution to this problem to be managed through decision systems separation management (initiation and implementation) and control (ratification and monitoring (Jensen and Fama, 1983). The theory gives an alternative explanation when compared to resource scarcity with the argument for adoption of franchising with focus on the concept of efficiency (Rubin, 1978).

Even in modern business management, one of the challenges of shareholders is wealth maximization, where in most instances the managers' interest clash with that of the owner of the business - the shareholders. This theory therefore has bearing with the practice of the business model where the interest of the franchisor if not properly guided clashes with that of the franchisees. There is therefore the need to find out a way of getting solution to this kind of problem and they best way out is to have a regulatory structure that guides the partnership enacted by a national government where interest of both parties is protected without bias.

### **Theory of Property Rights**

According to this theory a firm is seeing as a body of contracts with a structure of property rights. This right emphasizes the concept of control and its use and ownership of use of the firm's scarce resources. According to this theory, the assignment of property rights is important to achieve an efficient resources allocation (Demsetz, 1966). The theory's main characteristic is that which determine the ownership structure of the asset and its intangibility (Moore, 1990). The basic challenge here is that, it is impossible to code intangible assets and put into a franchise agreement, these intangibles assets are basically skills, knowledge and technical know-how. Interestingly, these assets are mutually by both the franchisor and the franchisee.

The franchisors intangible asset, are related to brand name and system specific know-how (Norton, 1988; Windsperger; Dant, 2006), why the franchisees intangible assets are customer service, quality control, human resource, management and product innovation (Sorensen; Sorensen, 2001).

In conclusion, the theory states that, whoever among the two (franchisor and franchisee) that draws more strength in ownership of the rights (i.e. contribution to income) should have advantage of enjoying more benefits in terms of fees or commission.

This paper aligns with the proponents of the property theory rights that in the natural laws of interaction in marketing, the major contributor of business margin should be compensated appropriately.

### **Franchise in Nigeria and 9mobile Nigeria Limited.**

Products marketing was the earliest form of franchising in Nigeria where the products marketed then were mainly petroleum products (Mobile, Texaco) and automobiles like, Toyota, Ford and Peugeot and Soft drinks like coca cola.

The Nigeria business sector has witnessed tremendous growth recently by way of business expansion covering several states and local governments in Nigeria. Franchising as a business model is believed to have contributed immensely has contributed to this growth. According to the Director-General of National Office for Technology Acquisition and Promotion (NOTAP) Engr. Umar Bindir; "The future of franchising in Nigeria is very bright sequel to the teeming population and enterprising nature of Nigerians" He further said once the concept is well understood, many entrepreneurs and some of the present unemployed youths will hopefully key into it and grow it into small and medium enterprises (SMEs). He gave an example of where franchise has proved to be job creating mechanism citing the Friesland Campina WAMCO Plc

partnership initiated by NOTAP, wherein WAMCO promoted local dairy development in Nigeria farmers for the production and collection of cow milk.

9Mobile Nigeria Limited facilitated employment generation in the following ways:

- (i) Direct employment of skilled and unskilled staff totaling 2000 staff as at December, 2014
- (ii) Empowering of SMEs through the "Market Access". The objective of the programme is fostering networking and partnership opportunities between SMEs and large firms and creating an enabling local content development, in addition to facilitating a platform for structural networking among SMEs in Nigeria, promotion of entrepreneurship, provision of SME Toolkits, capacity building/training of Small and Medium Enterprises and SME focused business promotions.
- (iii) Sponsorship of training programmes for vendors, customers and youth.
- (iv) Provision of free health care services as a corporate social responsibility, for a healthy nation is a wealthy nation though a healthy workforce.
- (v) Educational support to schools and offer of teacher training to enhance their capacity. The teacher training programme is an initiative that is carried out in partnership with the British Council in Nigeria; it is designed to re-train teachers of English language in secondary schools across the six geo-political zones of Nigeria. The role of education to employment generation cannot be overemphasized here.
- (vi) Appointment of vendors to engage in the business of sale of recharge cards, telephone handsets, accessories, data bundles, kiosks managers, franchise shops, etc. this has contributed to over 80% of the employment generated by 9Mobile Nigeria Limited as can be seen in communities and streets all over Nigeria.
- (vii) Provision of skills acquisition for the people particularly the youth.

### Challenges to Franchising in Nigeria

The major challenges facing franchising as an emerging concept in Nigeria are:

**Funds:** There are instances that a person may have enough intelligent and technical qualities but will lack the financial muscle to pay for the franchise rights to start the business.

**Knowledge:** There are also instances that a person may have the financial resources but will lack the technical know-how to engage in a franchise. For example, for one to be registered as a dealer with 9Mobile Nigeria Limited or any network, you must have a minimum of OND in engineering and your company must be registered with Nigeria Communication Commission (NCC). This may pose a big challenge to some people.

**Uncertainty:** Some people are scared to venture into franchise business due to fear of the unknown.

**Lack of Institutional Framework:** There is the absence of an institution framework to govern or regulate the operations of franchise in Nigeria.

**Low Awareness:** The efforts of International Franchise Association (IFA) and the Nigeria franchise association is much appreciated, however, the body's activities have remained unknown, thus resulting to ignorance on the benefits of franchising.

**Poor Infrastructure:** Infrastructure facilities are lacking for effective distribution of goods and services (bad roads, no rail services), Challenge of energy particularly for the GSM companies.

**Short Term Return:** In some instance, the commission paid by the franchisor to the franchise is low. There are situations whereby due to lack of regulation, the franchisor dictates payment terms to the franchisee, in some cases the franchisee does not even know the basis for the commission paid.

**METHODOLOGY**

The design adopted for the study is descriptive survey with a population of 109, where sample size of 71 was selected using Taro Yamane’s formula. The quasi survey data was obtained through questionnaire (major data for the study) and secondary data to compliment survey data was obtained through journals, textbooks and 9mobile Nig. Ltd bulletins. The questionnaire was validated through the inputs of experts, friends and consultants and pilot test carried out shows a consistency in responses in Benue and Enugu states area offices of 9Mobile.

The population for the study is 109 franchise centres in North Central and South East regional business area of 9Mobile Nigeria ltd. The sample size was objectively selected using Taro Yamane’s formula ( $n = \frac{N}{1 + N(e)^2}$ )

Where; N=population, n= sample size and e=tolerable error (5%) (Aberejo and Tayomi; 2007).

$$= \frac{109}{1 + 109 (0.05)^2}$$

$$= \frac{109}{1 + 109 (0.0025)}$$

=109/1.27 = 86 franchise centres approximately therefore, the sample size for the study is 86. The questionnaires were conveniently distributed to the respondents in North Central and South East Business area.

The analysis of data was descriptively done using descriptive statistics such as; simple percentages, frequency and analysis. The limitations of financial and geographical spread were decisively dealt with by adequate preparation and savings while the WhatsApp platform of the Franchisees which the researcher is a member was used to compliment the researcher’s effort to adequately cover the area under study within a short period of time.

The weakness of the methodology is the inability of the study to get responses from those who are not on the platform. However, this does not undermine the result of the study because over 80 percent responded.

**Data presentation and analysis**

The data used for this section covered only returned questionnaire of 71 (82%).

**Table 3.1: Sex of the respondents**

Respondents	Frequency	Percentage (%)
Male	50	70
Female	21	30
Total	71	100

Source: Survey data, 2018.

Table 3.1 shows that, 50 (70%) respondents were male and the remaining 21 (30%) were female. This indicates a reasonably fair representation of both sexes.

**Table 3.2: Ages**

Respondents	Frequency	Percentage (%)
5-10 years	0	0.00
11 -17 years	0	0.00
18 -25 years	15	21
26 years and above	56	79
Total	71	100

Source: Survey data, 2018.



Table 3.2 shows that, none of the respondents was below 17years, 15 (21%) were 18-25 years and 56 (79%) were 26 years and above. This shows that all of the respondents were old enough to perceive and experience the operations of franchise centres.

**Table 3.3 Educational qualification**

Respondents	Frequency	Percentage (%)
FSLC	0	0
SSCE	5	7
Diploma	30	42
Degree al others	36	51
Total	71	100

Source: Survey data, 2018.

Table 3.3 shows that (0%) respondents were FSLC holders, 5 (7%) were SSCE holders, 30(42%) were diploma holders and the remaining 36(51%) were holders of Degree and other qualification. This shows that, the respondents were literate enough to give a required response.

**Question: there is no increase in profitability from the operations of your franchise centre over the past five years?**

**Table 3.4 Response**

Respondents	Frequency	Percentage (%)
No	70	99
Yes	1	1
Total	71	100

Source: Survey data, 2018.

Table 3.4 shows that 70(99%) respondents disagree with the above statement while 1(1%) respondent support the statement, we therefore agree that there is increase in profitability due to franchise.

**Question: There is no increase in revenue due from operations of franchise centres in the past five years?**

**Table 3.5: Response**

Respondents	Frequency	Percentage (%)
No	71	100
Yes	0	0.00
Not sure	0	0.00
Total	71	100

Source: Survey data, 2018.

Table 3.5 shows that 71(100%) respondents disagree with the statement, which means that there has been increase in revenue from the franchise.

**Question: there is no increase in the number of people employed due to the franchise in the past five years?**

**Table 3.6: Response**

Respondents	Frequency	Percentage (%)
No	71	100
Yes	0	0.00
Not sure	0	0.00
Total	71	100

Source: Survey data, 2018

Table 3.6 shows that all the respondents agree there is increase in employment due to the franchise.

**Question: there is no transfer of technical knowhow from the franchisor to the franchisee?**

**Table 3.7: Response**

Respondents	Frequency	Percentage (%)
Yes	37	52
No	24	34
Not sure	10	14
Total	71	100

Source: Survey data, 2018

Table 3.7 shows that 52% of the respondents agree with the statement that there is no major transfer of technical know-how, while 34% agree there is and 14% were not sure of its impact. This means the franchise model is not a major source of transfer of technical know-how as other studies have shown. It varies from one organization to the other.

**TEST OF HYPOTHESES**

**Hypothesis 1**

**H<sub>01</sub>:** There is no significant increase in profitability with the operation of the franchise centres in the past five years.

**Level of significance:** 0.05

**Decision rule:** reject the null hypothesis if the p-value is less than the level of significance.

**Table 4.1 Test Statistics**

Chi-Square	5.533 <sup>a</sup>	The operation of the franchise has no significant effect on profitability in 5 years.
Df	3	
Asymp. Sig.	0.037	
a. 4 cells (100.0%) have expected frequencies less than 5. The minimum expected cell frequency is 3.8.		

**Conclusion based on the decision rule:**

Since the p-value (0.037) is less than the level of significance (0.05), we reject the null hypothesis that says there is no significant effect of the franchise on profitability.

We can therefore, come to affirm that franchise brought about increase in profitability.

**Hypothesis 2**

**H<sub>02</sub>:** there is no significant increase in the number of people employed due to the operation of franchise in the past five years.

**Level of significance:** 0.05

**Decision rule:** reject the null hypothesis if the p-value is less than the level of significance.

**Table 7 Test Statistics**

	Franchising has no significant increase on number of people employed in 5 years
Chi-Square	4.800 <sup>a</sup>
Df	2
Asymp. Sig.	0.031
a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 5.0.	

**Conclusion based on the decision rule:**

Since the p-value (0.031) is less than the level of significance (0.05), we reject the null hypothesis that says there is no increase in the number of people employed in the past 5 years. We can therefore, come to affirm that franchise has brought about increase in the number of people employed in the past five years.

**SUMMARY OF FINDINGS**

From the tables and analysis above, the researcher has consequently drawn the following findings; that the adoption of franchise business model through the operations of franchise centres by 9Mobile Nig. Ltd has led to the increase in revenue, profitability and partial transfer of technical know-how. And finally that franchise has led to the increase in employment or job creation. A review of secondary data sources also show that the role of franchising as an emerging business model in Nigeria is in agreement with this empirical findings as stated in the literature review.

**CONCLUSION AND RECOMMENDATIONS**

The success of franchising in Nigeria as emerging phenomenon cannot be overemphasized. Nigeria indigenous companies have started exporting franchising to other countries in Africa. The local entrepreneurs have embraced the franchise concept and are actively participating as reputable franchisees, growing their business day by day with the guidance of the multinational franchisor. This has succeeded in further strengthening the notion earlier posited by other scholars that, franchising is a useful model to sustain business growth and survival especially in an emerging economy like the Nigeria economy and generate employment.

Based on some of the findings from this study, the following recommendations can be found useful; The need for a legal regulatory framework for the sector is highly recommended with the significant contribution of franchising to the Nigeria economy, the role and responsibilities of stakeholders like the banks, other financial institutions, legal counsels, the society and government need to be centrally regulated; the activities of Nigeria International Franchise Association and her local contemporary, the Nigeria Franchise Association should be made relevant and known so that people, interest will be generated. We need awareness; the challenge of infrastructure development as a hindrance especially in distribution (rail and roads) and technical expansion (in case of Telecommunication) has to be addressed urgently by government since the sector contributes immensely to the development of the Nigeria economy; More research should be carried out to serve as career guidance for interested entrepreneurs (franchisee, in view) and even those who are in other businesses and my wish to switch, diversify or change their sector; Government should adopt it as one of her interventionist programmes for employment generation and poverty alleviation.

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