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Inter-Partner Learning in Asymmetric Alliances between Foreign and Indigenous Companies in the Nigerian Oil Industry

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Part I: Introductory Section

1. Introduction

1.1 Background

The Nigerian oil and gas industry has been the single most important sector of the Nigerian economy, accounting for over 90 percent of Nigeria's foreign exchange earnings and about 85 percent of the collectible revenue of the Nigerian government. The role and significance of the industry to the Nigerian nation has been widely acknowledged and reported in the literature (e.g. Madujibeya, 1976; Frynas, 2000; Okubote, 2001; Heum et al, 2003; Nordas et al, 2003; Okojie/Oaikhenan, 2005; Amadi et al, 2006; Thisday, 2009; Ariweriokuma, 2009). However, since the inception of the industry in 1956, when oil was discovered in commercial quantity in Nigeria, the industry has been dominated by multinational oil companies, which carried out most of the oil exploration and production (E&P) activities in conjunction with their foreign oilfield services contractors and subcontractors. Even downstream activities such as distribution and retailing of petroleum products were until recently dominated by the subsidiaries of multinational oil companies. Although the Nigerian government started taking active participation in the industry since the beginning of the 1970s through the acquisition of equity interests in the operations of the multinational oil companies in the form of joint ventures (JVs), the multinational oil companies as the operators of these joint ventures still dominated oil exploration and production activities, accounting for over 95 percent of the crude oil production in the industry, while the foreign oilfield services contractors dominated the oilfield services sector (cf. Heum et al, 2003). Moreover, it is reported that about 8 to 12 billion US Dollars is expended annually in the upstream segment of the industry for the operational activities (UNCTAD/CALAG, 2006; Kupolokun, 2006; Heum, 2003: p. 40; Hindle/Woldemichael, 2009: p. 10), and the majority of this amount has usually been paid to foreign oilfield services contractors for services such as fabrication, construction, front-end engineering design, conceptual designs, seismic studies, etc. These foreign companies repatriate their earnings back to their home countries, and only very little share of the annual expenditure is retained in the Nigerian economy, due to low level of local participation in the industry as well as low level of "local content" (i.e. local inputs in form of raw materials, human resources and services) in the oil projects.

And in order to address this problem, various policies have been introduced by the Nigerian government since the beginning of 1980s, with the aim of promoting the participation of local indigenous companies in the industry and in-

creasing "local content" in oil and gas operations in the industry. In the downstream segment of the industry, retailing of petroleum products was deregulated in 1982 to permit the participation of local independent marketers; and today, about 7000 privately-owned indigenous companies are engaged in petroleum products marketing across the country as independent marketers, accounting for about 60 percent of the market share (cf. Okafor, 2007: p. 89). In the upstream segment of the industry, an "Indigenous Licensing Programme" was initiated in 1990, through which oil licenses and concessions in form of new oil blocks/fields are granted to privately-owned indigenous E&P companies on "sole-risk" basis (cf. Agoro, 2001: p. 20; Frynas, 2000: p. 35). The aim of the programme was to encourage the participation of the indigenous companies in the oil exploration and production activities in the industry. Also, in addition to the indigenous licensing programme, "Marginal Field policy" was introduced by the Nigerian government, through which marginal fields are awarded to privately-owned indigenous oil companies in the industry. Marginal fields are oilfields where oil production was not economical for the multinational companies who originally held the licenses, and therefore, were subsequently left undeveloped for more than ten years after its discovery (cf. Atsegbua, 2005: p. 324; Ariweriokuma, 2009 p. 87; Hindle/Woldemichael, 2009: p. 17). Through the *farm-out* option provided for in the Petroleum Amendment Act of 1996, the Nigerian government acquires such marginal oilfields from the original license-holders, and then reallocate them to indigenous companies, which develop and operate the fields.

Moreover, in the pursuit of the objective of increasing 'local content' in all oil and gas projects carried out in the industry and maximizing the industry's value addition to the entire Nigerian economy, the "Nigerian Content Development Policy" was introduced in the industry in the year 2000 by the Nigerian government (cf. Ihua, 2010: p. 3; Heum et al, 2003). The policy obliges the utilization of certain percentage or share of local inputs in the form of local raw materials, human resources and services in all oil and gas projects executed by foreign companies in the industry. For the multinational E&P companies, this means that certain range of oilfield services contracts in their oil operations must be reserved for indigenous services companies. Until the introduction of this policy, the multinational E&P companies had always preferred the foreign services companies with which they often had long-term service provision agreements. And for the foreign services companies, the policy means that certain percentage of local inputs in form of local raw materials, human resources and services must be utilized in their execution of oilfield services contracts, and certain services must be executed domestically in Nigeria. In general, the Nigerian content policy was targeted to serve as a tool for development of local ca-

pacity and ensuring higher participation of indigenous companies in the oilfield services sector (cf. Ihua, 2010).

However, although the Nigerian content policy and other above-mentioned indigenization policies of Nigerian government have created opportunities for the participation of local indigenous companies in the industry, the policies have also thrown up some challenges for the indigenous oil companies in the industry; because the current capacity and capabilities of most indigenous companies (both in the E&P and oilfield services sub-sectors) in the industry are still considered very low in matching the high technological and financial demand of oil and gas operations. Many of the indigenous companies are young and small in size, with only very limited access to bank credits and no access to cutting edge technologies (cf. Heum et al, 2003). At the E&P sub-sector, most indigenous oil companies lack adequate financial resources and key technical capabilities to operate their acquired oil fields and licenses, and are therefore faced with the challenges of shortage of operational funds and technical expertise (cf. Atsegbua, 2005; Agoro, 2001; Frynas, 2000: p. 36). Similarly, at the oilfield services sub-sector, many indigenous services companies, who are required to deliver services that meet international standards and quality specifications, often lack the requisite technologies and financial capacities to execute key oilfield services contracts in the industry (cf. Ihua, 2010; Businessday, 2008).

One of the strategies employed by many indigenous oil companies to tackle these challenges has been “inter-firm alliances” with foreign oil companies. At the E&P sub-sector of the industry, some indigenous companies lacking financial and key technical capabilities often enter into strategic partnerships with foreign oil companies to explore and operate their acquired oil assets and licenses (cf. Hindle/Woldemichael, 2009: p. 17; Frynas, 2000: p. 36). Through such strategic partnerships, the indigenous partner companies hope to access or source operational funds and technical expertise with the assistance of their foreign partner companies, while the foreign partner companies get access to and participate in the exploitation of oil assets and licenses acquired and owned by the indigenous companies. At the oilfield services sub-sector of the industry, a growing number of alliances are being forged between indigenous and foreign services companies (cf. Heum et al, 2003: p. 30). The partner companies use various forms of strategic alliance relationships to jointly bid for and execute oilfield services contracts in the industry. Through such alliances, indigenous services companies usually seek to access financial resources and technical expertise needed for the execution of services contracts with the assistance of their foreign partner companies, while the foreign services companies get the opportunity to participate in acquiring and exploiting oilfield services contracts, and thereby fulfil the ‘local content requirements’ of the Nigerian content develop-

ment policy. Although no official statistics of these foreign-indigenous alliances currently exists, a considerable number of these alliances have been announced in the industry since the inception of the various indigenous participation policies of the government. For instance, the majority of all the indigenous E&P companies (i.e. indigenous oil operators) in the industry are engaged in various forms of alliances with the foreign oil companies, which act as technical partners in their operations. And at the services sub-sector, alliances between foreign and indigenous services companies are frequently announced for several oil projects in the industry (see Vanguard, 2004; Osagie, 2006; Rigzone 2007; etc.)

Although instigation of alliances between indigenous and foreign oil companies was not the objective of the Nigerian government policies in the industry, the increasing trend of foreign-indigenous alliances has been welcomed as a positive development by the Nigerian government and other stakeholders such as industry associations. It is believed that the alliances between indigenous and foreign oil companies would enhance the credibility of the indigenous companies, particularly the indigenous services companies bidding for oil projects and contracts, and stimulate capacity building in terms of knowledge and technology transfer, and thereby improve local content in the industry (cf. Ihua, 2010; Atsegbua, 2005: p. 334; Heum et al, 2003; Lawal, 2002; Oduniyi, 2002; Ogiemwonyi, 2001).

It is important here to note that these inter-firm alliances between privately-owned indigenous oil companies and foreign oil companies in the industry are quite different from the six joint ventures (JVs) and several production sharing contracts (PSCs) between the state-owned Nigerian National Petroleum Company (NNPC) and multinational oil companies in the industry. These government JVs and PSCs with multinational oil companies are not the focus of the analysis in this work.

1.2 Problem Definition

The emergence of alliances and partnerships between privately-owned indigenous oil companies and foreign companies in the Nigerian oil industry has elicited high expectations among many stakeholders in the industry, particularly the industry regulators such as the Department of Petroleum Resources (DPR) and NNPC as well as indigenous industry associations such as Petroleum Technology Association of Nigeria (PETAN) and Nigerian Association of Indigenous Petroleum Explorers and Producers (NAIPEC). It is envisaged that such foreign-indigenous alliances would not only boost the participation of local indigenous companies in the industry, but would also create opportunities for learning, knowledge and technology transfer between the partnering companies. For instance, Ogiemwonyi (2001) emphasized the importance of such alliances be-

tween foreign and indigenous companies in increasing the local content in the oil projects and also in developing the capabilities of local companies in the industry. Although the primary motives of most of the alliances are often financial risks sharing, technical assistance, and/or fulfilment of the local content requirements for foreign partners, it is generally believed that through joint execution of oil and gas projects, the indigenous companies can learn from their foreign partners and develop the needed capabilities for oil and gas operations (see for example, Atsegbua, 2005: p. 334). Even the permission granted to indigenous E&P companies by the Nigerian government to farm-out a maximum of 40 percent equity share of their oil concessions to interested foreign oil companies was in line with government's expectation that learning and knowledge transfer could take place through such arrangements. And the long-term objective of many indigenous companies engaging in such alliances is to enhance their technical capabilities and build capacity through learning and knowledge acquisition in the alliances (cf. Ihua, 2010: p. 7).

However, a major common characteristic of most of these alliances is the asymmetries between the foreign and indigenous partner companies in the alliances (see figure 1–1 below). There is usually large gap of technological and financial capabilities between the foreign and indigenous partner companies in these alliances. The foreign partner companies in the alliances usually possess superior capabilities in terms of cutting-edge technology, financial resources and organizational know-how, while the indigenous companies are no match for their foreign partners in terms of these capabilities. The indigenous partner companies are mostly locally-based small and medium-sized oil companies, while their foreign partner companies are mainly large and medium-sized international oil companies from the more developed and industrially advanced countries. Moreover, many of the foreign partner companies are well established and present in the local Nigerian oil industry prior to their alliances with the indigenous partners. For instance, one of the alliances announced in the oilfield services sub-sector in 2004 was a strategic alliance between 'Oando Services Plc' (an indigenous oil services company) and 'Halliburton Energy Services' of USA (cf. Vanguard, 2004). The foreign partner 'Halliburton' has been operating in the Nigerian oil industry for over forty years through its local subsidiaries and therefore possessed extensive knowledge of the local industry prior to the alliance with 'Oando'. This situation applies also to most alliances between indigenous and foreign oil companies at the E&P sub-sector, with examples such as the alliances between 'TotalElf' and 'Amni Petroleum Development Company Limited'; between 'ChevronTexaco' and 'Famfa Oil Limited'; between 'Afren Energy Plc' and 'Excel Exploration Limited'; etc., where the foreign partners already possess extensive knowledge of the local industry and network prior to the

alliances. In the operations of these alliances, the foreign partner companies usually contribute the greater share of the financial resources and requisite technical expertise for the operations, and therefore often tend to technically have more control over the alliance operations. In contrast, the indigenous partners contribute their "oil concessions" (e.g. oil block/fields) in the case of indigenous E&P companies or "share of local-content" in oil projects (e.g. local man-hours and labour) in the case of indigenous services companies, as well as other minor technical skills. Figure 1–1 below gives a general overview of the various asymmetries in such foreign-indigenous alliances.

Considering the widespread expectations of learning and knowledge/technology transfer through these alliances and the obvious asymmetries in the alliances, particularly the large gap of capabilities between the foreign and indigenous partners, which could easily lead to divergent objectives among the partners with regard to learning, the important questions that arise are: Does learning or knowledge transfer actually occur in these alliances? And if it does, what pattern of inter-partner learning takes place under such asymmetries and what factors facilitate learning and knowledge transfer in such alliances?

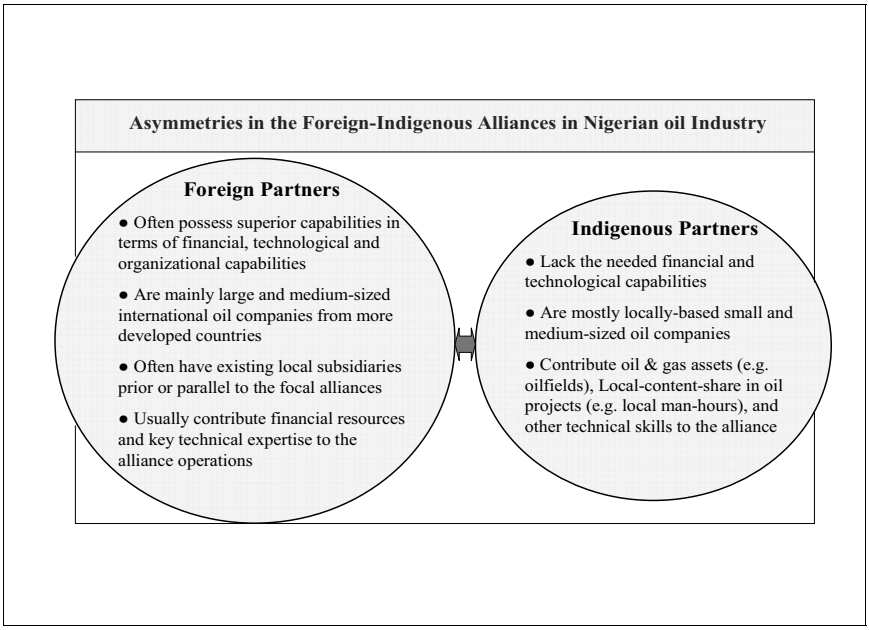

Figure 1—1: Asymmetries in the Foreign-Indigenous Alliances (source: own Description)

Generally, alliance literature is replete with studies and analyses suggesting that inter-firm alliances provide opportunities for alliance partners to learn and acquire knowledge and skills that are not available within their own organizations (e.g. Hamel, 1991; Inkpen, 1998; Sakakibara 1997; Inkpen/Crossan 1995). This notion is in line with the knowledge-based theory of the firm, which sees inter-firm alliances as vehicles for acquisition, sharing or transfer of knowledge from across firm's boundary (cf. Kogut, 1988; Grant/Baden-Fuller, 1995; 2004; etc.). However, in order to utilize the opportunities of learning that alliances offer, alliance partners need to have "learning intent" as learning occurs by design rather than default (cf. Hamel, 1991; Pérez-Nordtvedt et al., 2008). Learning intent is defined as the propensity or deliberate desire of an alliance partner to acquire certain knowledge and skills through the alliances (cf. Hamel, 1991; Tsang, 2002). Without learning intent, alliance partners are less likely to initiate learning mechanisms and commit resources to learning processes in the alliances (Inkpen/Dinur, 1998; Inkpen, 2000b). Moreover, an alliance partner desiring to learn certain knowledge and skills through its alliance must also possess the "learning capacity", which facilitates knowledge acquisition and assimilation by partner firms in alliances (cf. Simonin, 2004). Learning intent and learning capacity constitute the primary key factors that determine learning in alliances (cf. Hamel, 1991; Johnson/Sohi, 2003; Simonin, 2004; Norman, 2004; Hau/Evangelista, 2007; etc.). Therefore, the notion that inter-firm alliances generally provide opportunities for inter-partner learning may be easily extended to the alliances between indigenous and foreign oil companies in the Nigerian oil industry. But however, the question of whether or not and how the partner companies utilize the opportunities of learning in these alliances still remains unanswered. In other words, little (or nothing) is currently known about the 'learning intent' and 'learning capacity' of the foreign and indigenous partner companies in these asymmetric international alliances in the Nigerian oil industry.

Nevertheless, very few studies have directly or indirectly examined the pattern of inter-partner learning under partner asymmetry in international alliances in developing countries[1], particularly those in the emerging and transition economies (e.g. Kale/Anand, 2006; Anand/Kale, 2006; Y. Yan/Child, 2002; Luo/Shenkar/Nyaw, 2001; Child, 2001; Inkpen/Beamish, 1997; A. Yan/Gray, 1994). This stream of literature suggests that foreign partners in such asymmetric alliances often possess the learning intent to acquire "local market knowledge" (i.e. knowledge pertaining to the local business environment in the host-

1 The term "international alliances in developing countries" as used in this work refers primarily to inter-firm alliances between developed-country firms and local firms in developing countries.

country) from their local alliance partners, while the local alliance partners usually have the intent to learn from the superior "technological and managerial capabilities" of their foreign partners (cf. Inkpen/Beamish 1997; Y. Yan/Child, 2002). And once a foreign partner acquires "local market knowledge", the rationale for the alliance will be eliminated, unless the local partner is contributing other valuable skills to the alliance (cf. Kale/Anand, 2006; Inkpen/Beamish, 1997). Consequently, it is suggested in this stream of literature that these objects of learning intent by the alliance partners often lead to "competitive learning races", in which the fastest learning partner (i.e. the partner with greater learning intent and learning capacity) wins the race and gains more bargaining power over the other partners in the alliance, and may abandon the alliance, if the rationale for alliance is eliminated (see e.g. Kale/Anand, 2006; Anand/Kale, 2006; Child, 2001; A. Yan/Gray, 1994).

Obviously, the foreign-indigenous alliances in the Nigerian oil industry are typical examples of international alliances in developing countries, which are generally known and widely acknowledged to be characterized by partner asymmetries, particularly in terms of the large gap of technological and managerial capabilities between foreign and local partners in such alliances (e.g. Gambhire/Srivastava, 2000; Chen/Chen, 2002; Child/Faulkner/Tallmann, 2005; Young/Hood, 2003; Hansen/Shaumburg-Müller, 2006). However, the partner asymmetries in the foreign-indigenous alliances in the Nigerian oil industry is further exacerbated by the fact that many of the foreign partners in the alliances already possess extensive knowledge of the local industry prior to the focal alliances, and therefore may not possess any learning intent to acquire "local market knowledge" from their indigenous partners in the alliances. And apart from local natural resources such as "oil and gas assets" (e.g. oil block/field) or "share of local-content in oil projects" (e.g. local man-hours, labour, and raw materials), the indigenous partners may not be contributing other attractive knowledge and skills to the alliances due to the large gap of technological and managerial capabilities between the partners. Under such asymmetric alliance condition, where the foreign partner may not need to acquire knowledge from the indigenous partner, "competitive learning race" is less likely to occur between the foreign and indigenous partners in the alliance, even though the indigenous partner may have learning intent to acquire knowledge from the foreign partner in the alliances. Therefore, there is the necessity to examine the 'learning intent' and 'learning capacity' of the foreign and indigenous partners in the alliances, in order to identify the pattern of inter-partner learning and the factors facilitating learning in these asymmetric international alliances in the Nigerian oil industry.

1.3 Research Objectives

Generally, based on the dichotomy between "competitive learning" and "reciprocal learning"[2] in the general literature of alliance learning, the few existing studies/analyses of inter-partner learning under partner asymmetry in international alliances in developing countries often tend to suggest a 'competitive pattern' of inter-partner learning between foreign and local partner companies in such alliances. Such analyses are usually premised on the *learning race view* of inter-partner learning (Hamel, 1991; Hamel/Doz/Prahalad, 1989; Khanna/Gulati/Nohria, 1998; etc.), which assumes that alliance partners often engage in learning with competitive learning intent to appropriate each other's knowledge and skills brought/contributed to the alliance or each other's share of collective knowledge in the alliance in order to gain more bargaining power in the alliance. The argument is that foreign partner companies in such international alliances in developing countries often have learning intent to acquire the "local market knowledge" contributed to the alliance by the local partner companies, while the local partner companies seek to appropriate the superior "technological and managerial knowledge" brought to the alliances by the foreign partners (cf. Kale/Anand, 2006; Anand/Kale, 2006; Inkpen/Beamish 1997; Y. Yan/Child, 2002; etc.). And because bargaining power of alliance partners is usually based on partners' contributions to the alliance, these learning intents often lead to competitive learning (i.e. learning race) between foreign and local partners, in which the faster learning partner, i.e. the partner with greater learning intent and learning capacity, wins the race and thereby gains more bargaining power in the alliance (cf. Anand/Kale, 2006: pp. 302 – 303). It is argued that once a foreign partner acquires "local market knowledge", the rationale for the alliance will be eliminated, unless the local partner is contributing other valuable knowledge and skills to the alliance (cf. Kale/Anand, 2006; Inkpen/Beamish, 1997).

However, a basic problem in this argument is that these studies/analyses of inter-partner learning have hitherto focused solely on international alliances as 'market-entry strategies' of foreign multinational companies in developing countries, ignoring international alliances as 'market-exploitation strategies' of foreign multinational companies in their host-countries of operation. In this latter case, where foreign companies usually forge alliances with local companies

2 The term "reciprocal learning" is used here to cover the various terms used by various authors to describe a pattern of learning in alliances, where inter-partner learning is based on reciprocity between alliance partners, i.e. reciprocal exchange of knowledge between the partners. Examples of such terms include "collective learning" (Wang/Nicholas, 2005), "collaborative learning" (Child, 2001; Larsson et al, 1998), "reciprocal learning" (Lubatkin et al, 2001), etc.

through their local subsidiaries in the host-countries, acquisition of "local market knowledge" from the local partners would not be the learning intent of foreign partners as the foreign partners already possessed the "local market knowledge" needed for operations in the host-country prior to the alliances. And if the local partner is contributing no other valuable or attractive knowledge and skills to the alliances (due to the large gap of technological and managerial capabilities), then the rationale for the alliance would not be eliminated because the foreign partner may have a different strategic objective (e.g. exploitation of local natural resources) other than knowledge acquisition, while the local partner may have the intent to learn from the superior knowledge and capabilities of the foreign partner (see e.g. Hitt et al, 2000; Child/Faulkner, 1998: pp. 259ff; Child et al, 2005 on the divergence of strategic objectives between foreign and local partners in international alliances in developing countries). In such a situation, the pattern of inter-partner learning is less likely to be *competitive* as competitive learning cannot take place with only one contestant (cf. Inkpen, 2000a: p. 5), and also, the pattern of learning is less likely to be *reciprocal* as reciprocal learning assumes knowledge reciprocity (i.e. knowledge complementarity) between alliance partners (cf. Larsson et al, 1998; Lubatkin et al, 2001). But rather, inter-partner learning in such asymmetric alliance condition is more likely to be a one-way knowledge acquisition, whereby only the knowledge-disadvantaged local partner would possess learning intent and learning capacity to acquire knowledge from the knowledge-advantaged foreign partner in the alliance, while the foreign partner would pursue other strategic objectives such as access to local natural or physical resources rather than learning from the local partner. Therefore, it is obvious that a single theoretical perspective may not be sufficient for explaining the motive of such international alliances. Knowledge-based/learning perspective needs to be complemented with resource-based perspective in order to understand partners' motives and pattern of inter-partner learning in asymmetric international alliances such as those in the Nigerian oil industry.

Therefore, the purpose of this dissertation is primarily to identify the pattern of inter-partner learning in the asymmetric alliances between foreign and indigenous companies in the Nigerian oil industry. And the objective pursued with the dissertation is twofold: one (1) is to contribute to the studies/analyses of inter-partner learning in international alliances in developing countries by empirically demonstrating that the pattern of inter-partner learning in such alliances, particularly those serving as 'market-exploitation strategies' of foreign multinational companies in the less developed countries, can be neither "competitive" nor "reciprocal". But rather, would be a one-way asymmetrical learning by the knowledge-disadvantaged local alliance partners, in which different factors rather than competitive or reciprocal learning intents of the partners would deter-

mine learning and knowledge acquisition in the alliances. The second objective (2) is to contribute to the managerial practice in the Nigerian oil industry by providing practice-relevant recommendations, particularly for indigenous oil companies and managers in the industry (both at the E&P and oilfield services sub-sectors), on requisite factors that facilitate successful learning and knowledge acquisition in such asymmetric international alliances in the industry.

In the pursuit of these objectives, the empirical study conducted in this work focuses on three major objects of inquiry, namely the "learning intent" and "learning capacity" of the foreign and indigenous partner companies in the alliances as well as the "types of knowledge" acquired by the partner companies in the alliances. Investigation of these objects provides insights into the pattern of inter-partner learning that takes place in alliances. Therefore, the following research questions are explored in this dissertation:

- Do the foreign and indigenous alliance partners possess learning intent and learning capacity to learn through the alliances?
- What is the nature of the partners' learning intent – competitive or reciprocal learning intent?
- What types of knowledge constitute the objects of the partners' learning intent in the alliances?
- And what factors contribute to partners' learning intent and learning capacity in the alliances?

Figure 1–2 gives a sketched overview of the research objectives pursued through the dissertation, showing clearly the research issue, the three objects of inquiry, and the subsequent objectives of the dissertation.

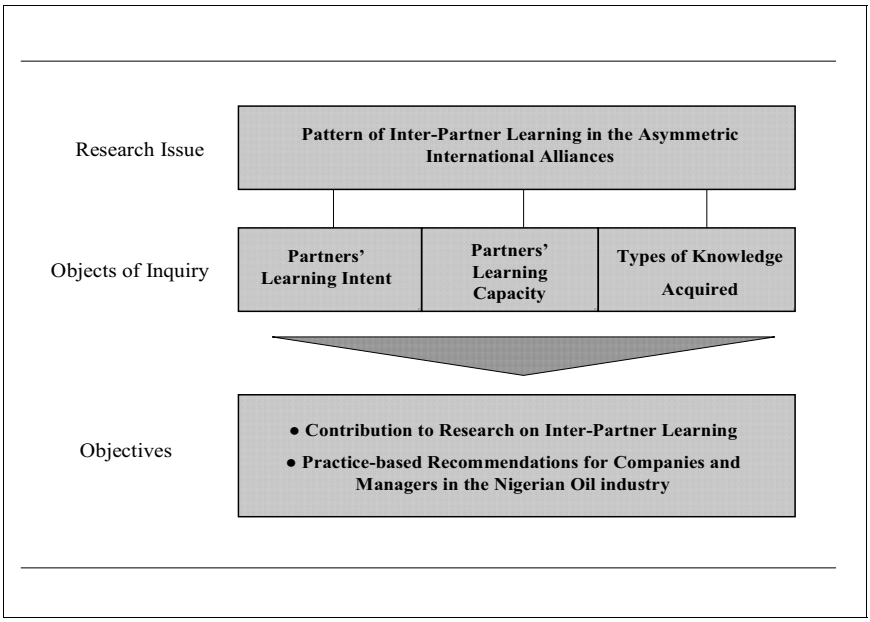

Figure 1—2: The Research Objectives

The key results from the empirical study showed that the pattern of inter-partner learning in the alliances was neither 'competitive' nor 'reciprocal', but instead, was a one-way "cooperative-asymmetrical" pattern of learning, whereby only the indigenous partner companies possessed 'learning intent' and 'learning capacity' to acquire knowledge and skills from their foreign partners in the alliances. The foreign partner companies possessed no 'learning intent' and deployed no 'learning capacity' in the alliances, but demonstrated 'willingness' to transfer knowledge to the indigenous partner companies through the alliances as well as 'cautiousness' to prevent unintended flow of firm-specific knowledge to the indigenous partners. The indigenous partner companies acquired mainly explicit-based 'technological knowledge' and 'international market knowledge' from their foreign partners. But nevertheless, the extent of learning and knowledge acquisition by the indigenous partner companies in the alliances was determined by factors such as the degree of indigenous partners' learning intent and learning capacity, the knowledge transfer willingness and learning assistance of the foreign partners, and the knowledge protectiveness of the foreign partners.

1.4 Structure of the Dissertation

In order to pursue and achieve the objectives set out in this work, the dissertation has been structured into four parts, consisting of 9 chapters. Part I is the introductory section of the work and consists of chapters 1 and 2, which provides introductory overview of the issues dealt with in the dissertation. The chapter 1, which includes the present sub-chapter, defines the problem situation and the research objectives pursued through the dissertation. And chapter 2 provides an overview of the Nigerian oil and gas industry, thereby giving more detailed and expanded view of the problem definition. The chapter discusses the history and structure of the Nigerian oil industry as they relate to the emergence of various policies that aim at promoting indigenous participation in the industry. These policies and the nature of the subsequent foreign-indigenous alliances in the industry are also discussed in the chapter.

Part II provides the theoretical background for the research and consists of chapters 3 and 4. Chapter 3 focuses on alliances generally and discusses theoretical explanations pertaining to the forms and dimensions of inter-firm alliances as well as to the motives of inter-firm alliances. Chapter 4 focuses on inter-partner learning in alliances, with major emphasis on patterns of learning in alliances, which is the central research issue in this work. The chapter discusses the dichotomy between competitive and reciprocal patterns of learning as well as its application in the analyses of inter-partner learning in asymmetric international alliances. Subsequently, the chapter discusses the determinants of learning patterns in terms of learning intent and learning capacity as a positioning for the empirical study.

Part III of the dissertation deals with the process and results of the empirical study, and consists of chapters 5 and 6. The chapter 5 reports the research strategy and methodology used in the conduct of the empirical study, highlighting the research design, the sampling process, data collection and evaluation processes. Chapter 6 presents the results of the empirical study, beginning with a synopsis of the selected cases of alliances, then the case-by-case presentation of the research findings, and finally the summary and discussion of the research findings across the cases.

Part IV is the concluding section of the dissertation and is made up of three chapters (7, 8 & 9). This part draws conclusions on the work by linking the research objectives to the research results from the empirical study. Chapter 7 discusses the implications of the research findings for the managerial practice in form of practice-relevant recommendations for managers and companies in the Nigerian oil industry, and chapter 8 summarizes the implications for the research

on inter-partner learning in international alliances. A brief general conclusion is finally provided in chapter 9.