Chapter 6
Regulatory Compliance, Ethical Behaviour, and Sustainable Growth in Nigeria’s Telecommunications Industry

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ABSTRACT
This chapter examines regulatory compliance, ethical behaviour and sustainable growth in Nigeria’s telecommunications industry. It provides perspectives on the vexed issues of poor quality of service (QoS) that seems to have defied all practical solutions, unsolicited messages and the fleecing of subscribers by the mobile network operators, and other unfair business practices pervading the industry. The chapter wades through the controversy surrounding regulations and sanctions, and condemns the flagrant disregard for industry regulations by the mobile network operators whose actions are propelled by the runaway profit, which currently drives the stiff competition in the telecommunications industry. Based on the issues and problems articulated in this work, the chapter recommended among others, that the regulator should continue to engage the mobile network operators and other stakeholders in a robust dialogue aimed at finding lasting solution to the challenges impeding the growth of the telecommunications industry in Nigeria.

INTRODUCTION
In most modern societies, a variety of regulations exist that govern how business is conducted. These regulations are issued and enforced by various departments and agencies of government (regulators), and are aimed at standardizing business operations in line with international best practices. Organizations therefore strive to meet these regulations and standards in order to remain compliant, and to increase the efficiency and credibility of the business. Regulations and standards differ from one industry to another, and are often specific to certain business activities. They can change over time, so it is important
organizations stay current. Violation of the regulations may attract punishment from the regulator in form of injunctions, bans and fines.

Every now and then, in order to remain afloat in a competitive business environment, organizations take decisions that affect the way they want to do business in the environment where they operate (Robbins, DeCenzo and Coulter, 2011). Decision-making is important in business because there are consequences to making the wrong decision. So, when managers make decisions on behalf of an organization, it is imperative that they weigh their options because poor choices can result in legal, financial, brand and other issues. Organizations therefore need effective decision-making, a process through which alternatives are selected and then managed through implementation to achieve business objectives, to survive in today’s business world.

The decisions that organizations make often propel them to act in a favourable or otherwise manner. These decisions are embedded in ethical behaviour. Ethical behaviour refers to how an organization ensures that all its actions and stakeholders interactions conform to the organization’s moral and professional principles (Daniels, Radebaugh and Sullivan, 2011). These principles are expected to support all applicable laws and regulations and are the foundations for the organization’s culture and values. Ethical behaviour also means acting in ways consistent with what society and individuals typically think are good values. It is generally believe to be good for business and involves demonstrating respect for key moral principles that include honesty, fairness, equality, dignity, diversity and individual rights. Whether today’s businesses take to heart and apply these principles to the latter for the benefit of society is a matter of conjecture.

However, in respect of ethical behaviour, all organizations have a choice. They can choose to become ethically responsible and sustain their growth, or they can just do what they want to do. If they choose to do the right thing, they can reap bountifully from their actions.

There is no doubt that telecommunications is playing an increasingly critical role in the development of Nigeria. As at the second quarter of 2016, the sector contributed ₦1.580 billion or 9.8 percent to the country’s gross domestic product (GDP), which represents an increase of 1 percent points relative to the previous quarter. This feat, according to the National Bureau of Statistics (NBS) is the biggest contribution so far in the last six years of the industry’s operation. It is adjudged the fastest growing in sub-Saharan Africa, with a potential of becoming a major key player in the nation’s economy in not too distant future if all the issues that tend to impede its growth are adequately addressed. Economic analysts and industry watchers believe that telecommunications hold the key to shoring up Nigeria’s GDP as it has remained resolute in the face of the severe economic downturn, which has affected all aspects of the nation’s life.

The essence of industry regulation is to avoid market failure, foster effective competition, protect consumer interests and increase access to technology and services. Therefore, the regulator is very strategic to the success of any industry whether specific or general (Williams, 2007 p.17). Apart from ensuring that operators play by the rules of the game, the regulator sees to it that there is a level playing field for all businesses and that consumers are not unfairly treated or exploited. Consequently, the regulator owes it a duty to ensure the sustainability of the industry by balancing the interests of the consumers and other stakeholders with that of the industry operators. The Nigerian Communications Commission (NCC) is the regulator of the telecommunications industry in Nigeria.

This chapter thus examines regulatory compliance, ethical behaviour and sustainable growth in Nigeria’s telecommunications industry. The objectives of the chapter are as follows:
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