

EFFECT OF COMMUNICATION, VALUES AND NORMS ON INTERNATIONAL BUSINESS PERFORMANCE IN ABUJA

¹UMAR, Idris

Federal Ministry of Education, Federal Capital Territory, Abuja

email: ushiyaki90.ui@gmail.com

Abstract

This study examines the effect of communication, values, and norms on international business performance in Abuja, Nigeria, addressing a critical gap in cross-cultural business research within emerging African markets. Using a survey design and Partial Least Squares Structural Equation Modeling (PLS-SEM), data were collected from international firms operating in Abuja to analyze the interplay between cultural dynamics and business outcomes. Findings reveal that both communication styles ($\beta = 0.304, p < 0.001$) and values & norms ($\beta = 0.632, p < 0.001$) significantly enhance international business performance, collectively explaining 80% of its variance. The study underscores the importance of culturally aligned communication strategies and adherence to local values and norms for firms seeking success in Abuja's diverse business environment. Practical recommendations include cross-cultural training for employees and the integration of local cultural insights into organizational policies. By empirically validating the role of cultural factors, this research contributes to institutional theory and offers actionable insights for multinational enterprises operating in sub-Saharan Africa.

Keywords: *Communication, Values, Norms, International Business Performance*

INTRODUCTION

In an increasingly interconnected global economy, the role of culture in shaping international business outcomes has become a critical area of study. Culture, often described as the collective programming of the mind that distinguishes one group of people from another (Hofstede, 2011), influences how businesses communicate, negotiate, and build relationships across borders. The triad of culture—communication, values, and norms—serves as a foundational framework for understanding how cultural dynamics impact business performance in multicultural environments. While extensive research has been conducted on the role of culture in global business, much of this work has focused on Western or Asian contexts, leaving a significant gap in understanding how these dynamics play out in emerging markets, particularly in Africa. Abuja, Nigeria's capital and a growing hub for international firms, presents a unique case study for examining the interplay between culture and business performance in a rapidly developing economy.

The importance of cultural understanding in global business cannot be overstated. Communication, as a core component of culture, plays a pivotal role in facilitating collaboration, resolving conflicts, and fostering trust in international business settings (Gudykunst, 2017). Miscommunication arising from cultural differences can lead to misunderstandings, strained relationships, and ultimately, business failures. Similarly, values and norms, which encompass shared beliefs, attitudes, and behavioral expectations, shape decision-making processes, leadership styles, and organizational practices (Trompenaars & Hampden-Turner, 2020). For international firms, aligning with local values and norms is often essential for gaining legitimacy and achieving long-term success in foreign markets. Despite the growing body of literature on cross-cultural management, few studies have examined how these cultural elements interact to influence business performance in sub-Saharan Africa, a region characterized by its diverse cultural landscapes and rapidly expanding economies.

Abuja, as the political and administrative capital of Nigeria, is home to a growing number of international firms spanning industries such as oil and gas, telecommunications, and finance. The city's strategic location, coupled with its status as a center for diplomacy and international trade, makes it an ideal setting for studying the impact of culture on global business. However, the cultural dynamics in Abuja present unique challenges for international firms. Nigeria's cultural diversity, with over 250 ethnic groups and multiple languages, necessitates a nuanced understanding of local communication styles, values, and

norms. For instance, the high-context communication style prevalent in Nigerian culture, which emphasizes indirectness and contextual cues, can pose challenges for expatriates accustomed to low-context communication styles typical of Western cultures (Hall, 2016). Similarly, the emphasis on hierarchy and respect for authority in Nigerian society may influence organizational structures and decision-making processes in ways that differ from Western practices. These cultural nuances underscore the need for a deeper understanding of how international firms can navigate cultural complexities to achieve optimal performance in Abuja.

Despite the growing presence of international firms in Abuja, there is a paucity of research examining the specific ways in which culture influences business performance in this context. Existing studies on cross-cultural management in Africa have largely focused on South Africa or Kenya, leaving Nigeria—and Abuja in particular—underrepresented in the literature (Nkomo, 2020). This gap is particularly concerning given Nigeria's status as Africa's largest economy and its increasing integration into the global business landscape. Furthermore, much of the existing research on culture and global business has adopted a fragmented approach, examining communication, values, or norms in isolation rather than exploring their interconnectedness. This study addresses these limitations by adopting a holistic approach that examines the triad of culture—communication, values, and norms—as interrelated factors shaping international business performance in Abuja.

The primary objectives of this study are twofold.

- i. to examine the effect of communication on international business performance in Abuja.
- ii. to evaluate the effect of values and norms on international business performance in Abuja.

The remainder of this paper is structured as follows. The next section provides a review of the relevant literature, situating the study within the broader discourse on culture and global business. This is followed by a detailed explanation of the research methodology, including the study's design, data collection methods, and analytical approach. The subsequent section presents the findings of the study, discussing their implications in relation to the research objectives. Finally, the paper concludes with a summary of the key findings, their practical implications, and recommendations for future research.

LITERATURE REVIEW

Conceptual Framework

In international business, understanding the interplay of culture is essential for fostering effective communication and enhancing organizational performance. This study focuses on three key concepts: communication, values, and norms, which collectively form the foundation of cultural dynamics in business settings. Each concept plays a critical role in shaping interactions among international firms operating in Abuja, Nigeria.

Communication, as defined by Hargie (2018), is the process of exchanging information through verbal and non-verbal means, which is crucial for effective interaction in any organizational context. In the global business landscape, communication transcends mere information exchange; it involves understanding cultural nuances that influence how messages are conveyed and interpreted. In Nigeria, where English serves as the lingua franca in business dealings, the emergence of "Nigerian English" presents unique challenges. According to Ede (2024), while Nigerian English facilitates communication among locals, it may pose significant barriers for non-Nigerian partners who may not be familiar with its distinct features. This discrepancy highlights the necessity for international firms to develop strategies that enhance clarity and mutual understanding in their communications.

Values represent the core beliefs and principles that guide individuals' behaviors and decision-making processes within a cultural context. Schwartz (2019) defines values as enduring beliefs that influence preferences for certain modes of conduct or end-states of existence. In the Nigerian context, values such as collectivism, respect for authority, and community orientation significantly shape business practices. For instance, Nigerian culture places a high premium on relationships and trust-building, which are

essential for successful business negotiations (Ogunyemi & Akinlabi, 2020). Understanding these values is imperative for international firms as they navigate partnerships and collaborations in Abuja. Failure to recognize and adapt to local values can lead to misunderstandings and inefficiencies in business operations.

Norms are the unwritten rules and expectations that govern behavior within a specific cultural group. They dictate what is considered acceptable or unacceptable behavior in various social contexts (Hofstede Insights, 2020). In Nigeria, norms surrounding hierarchy and respect for elders influence organizational structures and employee interactions. For example, the concept of "Ubuntu," which emphasizes communal relationships and mutual support, plays a significant role in shaping workplace dynamics (Mokgoro & Ehlers, 2021). International firms must be cognizant of these norms to foster a conducive working environment that aligns with local expectations. Ignoring these cultural norms can result in conflicts and decreased employee morale.

International business performance is a multifaceted concept that encompasses various dimensions of a firm's success in the global marketplace. One prominent definition of international business performance is provided by Gerschewski and Xiao (2015), who describe it as the benefits achieved from international markets or through internationalization. This perspective highlights the tangible outcomes of engaging in international business activities, such as increased revenues, market share, and profitability. The benefits derived from internationalization can be attributed to various factors, including access to new customer bases, diversification of risk, and enhanced innovation capabilities (Cerrato & Piva, 2015).

Another critical aspect of international business performance is the role of capabilities in facilitating successful internationalization. The capability-based perspective emphasizes that firms must possess specific capabilities to navigate the complexities of foreign markets effectively. Knight and Cavusgil (2004) assert that global technological capabilities are particularly influential in determining a firm's international performance. These capabilities enable firms to adapt their products and services to meet local market demands while also fostering innovation that can lead to superior performance outcomes. Additionally, networking capabilities play a vital role in overcoming the liabilities of outsidership that firms often face when entering new markets (Johanson & Vahlne, 2009). The ability to establish and maintain relationships with local partners can significantly enhance a firm's understanding of market dynamics and customer preferences.

Moreover, financial performance is often highlighted as a key indicator of international business success. Financial performance metrics typically include revenue growth, return on investment (ROI), and profitability ratios. Studies indicate that firms with higher degrees of internationalization tend to experience better financial outcomes due to their ability to capitalize on economies of scale and scope (Pangarkar, 2008). However, it is essential to recognize that financial performance is not the sole measure of success; operational performance—encompassing non-financial dimensions such as efficiency, quality of service, and customer satisfaction—also plays a crucial role in determining overall business effectiveness (Hilmersson & Johanson, 2016).

Empirical Review

Various studies have sought to understand the relationship between internationalization strategies and business performance, focusing on communication, values, and norms as critical components of this dynamic. One notable study by Ogunleye et al. (2021) investigated the financial performance of listed multinational companies in Nigeria following their engagement in international operations. The researchers employed a quantitative methodology, utilizing secondary data from audited financial statements of nine multinational corporations listed on the Nigerian Exchange Group over a twelve-year period (2011-2022). Their analysis employed panel data models, including Ordinary Least Squares and Fixed Effects Models, to assess key performance indicators such as revenue growth, return on assets (ROA), and return on investment (ROI). The findings revealed a positive correlation between internationalization strategies—specifically indirect exports, direct exports, and foreign ownership—and

financial performance metrics. This study underscores the importance of strategic decision-making in enhancing business outcomes in an international context. However, it may benefit from a deeper exploration of how communication practices within these firms influence their operational effectiveness. In another significant contribution, Adegbite and Olokundun (2022) examined market expansion strategies employed by Nigerian multinational companies through internationalization. Utilizing a mixed-methods approach that included both qualitative interviews and quantitative surveys, the authors explored how firms navigate market entry modes and growth patterns. Their findings indicated that internationalization serves as a vital avenue for market diversification, enabling firms to tap into new customer bases and respond effectively to global demands. The study highlighted that understanding local values and norms is crucial for successful market entry; however, it did not sufficiently address how communication strategies can enhance these processes. This gap suggests further investigation into how effective communication can facilitate the adaptation of values and norms during international expansion.

Oyewole and Ayoade (2023) conducted an empirical investigation into risk mitigation strategies adopted by Nigerian multinational companies during their internationalization efforts. This study utilized a qualitative methodology involving case studies and interviews with managers from various firms engaged in international operations. The researchers identified several critical factors influencing successful internationalization, including hedging mechanisms, contractual arrangements, and cultural adaptation strategies. Their findings emphasize that robust risk management practices are essential for navigating the complexities of global markets. While this study provides valuable insights into risk management in international business, it could further explore how communication styles impact these strategies and overall firm performance.

Additionally, a study by Ojo et al. (2023) focused on the impact of business models on the performance of small and medium enterprises (SMEs) operating in Abuja. Employing a qualitative approach through questionnaires administered to owners and managers of eight SMEs, the researchers examined various experimental variables such as efficiency, novelty-centered models, and government policies. The results indicated that effective business models significantly influence operational success in competitive markets. However, this study primarily concentrated on internal factors affecting performance without adequately addressing external communication dynamics or cultural influences that may affect SMEs' interactions with international partners.

The research conducted by Ijeoma et al. (2024) also adds to this discourse by exploring competitive strategies among selected firms in Abuja. Utilizing a quantitative methodology involving surveys distributed to corporate managers, this study aimed to evaluate how competitive strategies correlate with organizational performance metrics such as profitability and market share. The findings revealed that firms employing adaptive competitive strategies were better positioned to enhance their performance in an increasingly globalized market. Nonetheless, while this research highlights strategic adaptability's importance, it overlooks how communication practices can further augment these competitive advantages.

Theoretical Framework

The theoretical framework for this study is grounded in Institutional Theory, which was significantly developed by scholars such as Douglass North in the 1990s and further elaborated by W. Richard Scott in his works throughout the late 20th century. Institutional Theory posits that the behavior of organizations is heavily influenced by the institutional contexts in which they operate, encompassing both formal rules—such as laws and regulations—and informal constraints, including cultural norms and values (North, 1990; Scott, 1995). This theory is particularly relevant to international business as it emphasizes the necessity for firms to adapt their strategies to align with the institutional environments of host countries to achieve successful outcomes.

In international business, Institutional Theory provides a lens through which to examine how communication, values, and norms affect organizational performance. As firms expand into new markets, they encounter a variety of institutional frameworks that can either facilitate or hinder their operations. For instance, firms that fail to recognize and adapt to local cultural norms may experience significant challenges, including miscommunication and operational inefficiencies (Kostova & Roth, 2002). This aligns with the objectives of this study, which seeks to explore how effective communication can enhance international business performance while evaluating the influence of local values and norms on operational strategies.

Recent empirical studies have reinforced the relevance of Institutional Theory in understanding international business dynamics. For example, a study by Kafouros et al. (2021) examined how institutional factors influence the internationalization strategies of firms in emerging markets. Their findings indicated that firms that actively engage with local institutions and adapt their practices accordingly are more likely to succeed in foreign markets. This supports the notion that understanding the institutional context is crucial for enhancing business performance in international settings.

Furthermore, the interplay between communication practices and institutional contexts is critical for fostering effective relationships between international firms and local stakeholders. A study by Zhang et al. (2022) highlighted that firms that employ culturally sensitive communication strategies are better positioned to build trust with local partners, ultimately leading to improved performance outcomes. This underscores how communication serves as a vital mechanism for navigating the complexities of diverse institutional environments.

Additionally, Institutional Theory emphasizes the importance of legitimacy in organizational behavior. Firms operating internationally must not only comply with regulatory requirements but also align their practices with societal expectations to gain legitimacy (Suchman, 1995). This aspect is particularly pertinent in Abuja's international business landscape, where local values and norms play a significant role in shaping stakeholder perceptions. Research by Ojo et al. (2023) indicates that companies demonstrating cultural awareness and responsiveness are more likely to be perceived favorably by local communities, thereby enhancing their legitimacy and operational success.

METHODOLOGY

The research employs a survey design, which is particularly suited for gathering data from a large population while allowing for the quantification of relationships between variables. This approach facilitates the collection of standardized information that can be analyzed statistically, thus providing robust insights into the research questions posed.

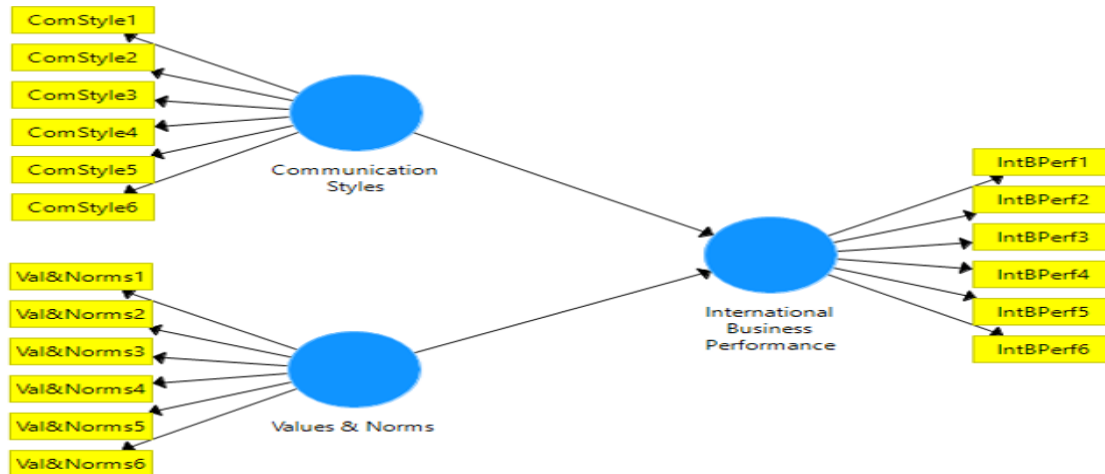
The population for this study comprises international firms operating in Abuja, Nigeria. This includes a diverse range of industries such as technology, manufacturing, and services, all of which engage in cross-border operations and are likely to experience the influences of local culture on their performance. The target population is significant due to Abuja's status as a growing hub for international business activities in Nigeria, characterized by a mix of local and foreign enterprises.

To ensure a representative sample, a stratified sampling technique is employed. This method allows for the division of the population into distinct subgroups based on relevant characteristics such as industry type and firm size. From each stratum, random samples were drawn to ensure that all segments of the population are adequately represented. This approach enhances the generalizability of the findings and ensures that various perspectives within international firms are captured.

Data collection was conducted through a structured questionnaire designed to assess the key variables of interest: communication practices, values, norms, and business performance outcomes. The questionnaire includes closed-ended questions, which facilitate quantitative analysis. The questions were developed based on existing literature and validated through expert reviews to ensure clarity and

relevance. The distribution of the questionnaire was online to maximize response rates and reach a broader audience within the targeted firms.

For data analysis, Partial Least Squares Structural Equation Modeling (PLS-SEM) was utilized. PLS-SEM is particularly advantageous in this study as it allows for the examination of complex relationships between multiple variables simultaneously while accommodating smaller sample sizes (Hair et al., 2017). This technique is well-suited for exploratory research where theoretical frameworks are still being developed or tested. PLS-SEM enables the us to assess both direct and indirect effects of communication, values, and norms on international business performance.



The use of PLS-SEM also facilitates the evaluation of measurement models to ensure that constructs are valid and reliable before testing structural relationships (Henseler et al., 2016). This methodological rigor is essential for drawing meaningful conclusions from the data collected.

RESULTS AND DISCUSSIONS

Assessment of Measurement Model

Indicator Loadings

Table 1 presents the factor loadings for Communication Styles (ComStyle), International Business Performance (IntBPerf), and Values & Norms (Val&Norms). These factor loadings are essential as they indicate the correlation of each item with the underlying latent construct. Factor loadings above 0.70 are typically considered acceptable, as suggested by Hair et al. (2010), indicating that the items are good indicators of their respective constructs.

The factor loadings presented in Table 1 demonstrate that all items for Communication Styles, International Business Performance, and Values & Norms exhibit strong correlations with their respective constructs. These results affirm the reliability and validity of the selected items in measuring the constructs of interest, aligning with the thresholds established in previous studies (Hair et al., 2010). Such strong factor loadings imply that the items used in this study are robust indicators of the underlying constructs, supporting the overall research framework and contributing to a comprehensive understanding of the impact of communication, values, and norms on international business performance in Abuja.

Table 1: Factors' loadings

	Communication Styles	International Performance	Business	Values & Norms
ComStyle1	0.873			
ComStyle2	0.888			
ComStyle3	0.858			
ComStyle4	0.867			
ComStyle5	0.885			
ComStyle6	0.807			
IntBPerf1		0.825		
IntBPerf2		0.820		
IntBPerf3		0.829		
IntBPerf4		0.822		
IntBPerf5		0.840		
IntBPerf6		0.810		
Val&Norms1				0.843
Val&Norms2				0.796
Val&Norms3				0.842
Val&Norms4				0.853
Val&Norms5				0.820
Val&Norms6				0.844

Validity and Reliability

Table 2 provides a comprehensive evaluation of the validity and reliability of the constructs: Communication Styles, International Business Performance, and Values & Norms. This is measured using Cronbach's Alpha to ensure the robustness and accuracy of the constructs. Cronbach's Alpha is a measure of internal consistency, with values above 0.70 indicating satisfactory reliability (Nunnally & Bernstein, 1994). For Communication Styles, a Cronbach's Alpha of 0.932 demonstrates excellent internal consistency, suggesting that the items reliably measure the construct. Similarly, International Business Performance and Values & Norms exhibit high Cronbach's Alpha values of 0.906 and 0.912, respectively, reinforcing the reliability of the constructs.

Table 2: Validity and Reliability

	Cronbach's Alpha	rho_A	Composite Reliability	Average Extracted (AVE)	Variance
Communication Styles	0.932	0.935	0.946	0.746	
International Performance	0.906	0.906	0.927	0.679	
Values & Norms	0.912	0.914	0.932	0.694	

Convergent Validity

Average Variance Extracted (AVE) is a measure of convergent validity, with values above 0.50 indicating that the constructs explain more than half of the variance in their respective items (Fornell & Larcker, 1981). The AVE values for Communication Styles (0.746), International Business Performance (0.679), and Values & Norms (0.694) all exceed this threshold, demonstrating strong convergent validity. These results indicate that the constructs capture the majority of the variance in their respective items, further validating the measurement model.

The high values of Cronbach's Alpha, rho_A, Composite Reliability, and AVE align with established thresholds from previous studies (Hair et al., 2010; Nunnally & Bernstein, 1994; Fornell & Larcker,

1981). These findings provide strong evidence for the reliability and validity of the constructs used in this study, supporting the overall research framework and ensuring the accuracy of the measurements in evaluating the effect of communication, values, and norms on international business performance in Abuja.

Discriminant Validity

Table 3 presents the Fornell-Larcker Criterion, a method used to assess the discriminant validity of the constructs: Communication Styles, International Business Performance, and Values & Norms. Discriminant validity ensures that constructs that are supposed to be distinct are indeed different from each other. According to Fornell and Larcker (1981), discriminant validity is established if the square root of the Average Variance Extracted (AVE) for each construct is greater than the correlation between the constructs.

Table 3: Fornell-Larcker Criterion

	Communication Styles	International Business Performance	Values & Norms
Communication Styles	0.863		
International Business Performance	0.811	0.824	
Values & Norms	0.802	0.876	0.833

The results of the Fornell-Larcker Criterion in Table 3 indicate that Communication Styles, International Business Performance, and Values & Norms possess adequate discriminant validity. The square root of AVE for each construct is greater than the correlations with other constructs, aligning with the thresholds established in previous studies (Fornell & Larcker, 1981). These findings support the distinctiveness of the constructs used in this study, ensuring that they effectively measure separate dimensions of communication, values, and norms in relation to international business performance in Abuja.

Assessment of Structural Model

Hypotheses Test

Table 4 presents the path coefficients of the relationships between Communication Styles, Values & Norms, and International Business Performance.

Table 4: Path Coefficient

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Communication Styles -> International Business Performance	0.304	0.310	0.070	4.321	0.000
Values & Norms -> International Business Performance	0.632	0.626	0.072	8.776	0.000

Communication Styles and International Business Performance

The path coefficient for Communication Styles -> International Business Performance is 0.304, with a sample mean of 0.310, a standard deviation of 0.070, a T statistic of 4.321, and a P value of 0.000. These results indicate that Communication Styles have a significant positive effect on International Business Performance. The T statistic (4.321) exceeds the threshold of 1.96 for significance at the 0.05 level, and the P value (0.000) is less than 0.05, leading to the rejection of the null hypothesis. Thus, we accept the alternative hypothesis that Communication Styles significantly impact International Business Performance.

Previous studies have highlighted the importance of effective communication in enhancing business performance across international borders. For instance, Gudykunst (2003) found that effective communication strategies significantly contribute to improved business outcomes in diverse cultural settings. Similarly, Okoro (2012) emphasized that clear and coherent communication is pivotal in achieving success in international business environments. The findings of this study align with these previous studies, reinforcing the critical role of communication in driving international business performance in Abuja.

Values & Norms and International Business Performance

The path coefficient for Values & Norms → International Business Performance is 0.632, with a sample mean of 0.626, a standard deviation of 0.072, a T statistic of 8.776, and a P value of 0.000. These results demonstrate that Values & Norms have a significant positive effect on International Business Performance. The T statistic (8.776) far exceeds the threshold of 1.96 for significance at the 0.05 level, and the P value (0.000) is less than 0.05, resulting in the rejection of the null hypothesis. Therefore, we accept the alternative hypothesis that Values & Norms significantly impact International Business Performance.

The influence of values and norms on business performance has been extensively documented in the literature. Hofstede (1980) identified that cultural values and norms shape organizational behavior and affect business outcomes in international contexts. Additionally, Trompenaars and Hampden-Turner (1997) demonstrated that companies that align their business practices with the local values and norms tend to achieve better performance. This study's findings corroborate these previous studies, emphasizing the significant impact of values and norms on international business performance in Abuja.

Coefficient of Determination

Table 5 presents the R Square and R Square Adjusted values for the construct International Business Performance. These values indicate the proportion of variance in the dependent variable (International Business Performance) that is explained by the independent variables (Communication Styles and Values & Norms).

Table 5: R Square

		R Square	R Square Adjusted
International Business Performance		0.800	0.799

The R Square value of 0.800 signifies that 80% of the variance in International Business Performance is explained by Communication Styles and Values & Norms. This high value demonstrates a strong explanatory power of the independent variables, indicating that they significantly contribute to predicting International Business Performance. The remaining 20% of the variance may be attributed to other factors not included in the model.

The R Square Adjusted value of 0.799 is a modified version of the R Square value, which adjusts for the number of predictors in the model. It provides a more accurate measure of the explanatory power, especially when multiple predictors are involved. An R Square Adjusted value of 0.799 suggests that, after accounting for the number of predictors, the independent variables still explain a substantial portion of the variance in International Business Performance.

Effect Size

Table 6 presents the f^2 values, which measure the effect size of Communication Styles and Values & Norms on International Business Performance. The f^2 statistic is used to assess the contribution of each independent variable to the R^2 value of the dependent variable. According to Cohen (1988), f^2 values of 0.02, 0.15, and 0.35 correspond to small, medium, and large effect sizes, respectively.

Table 6: f Square

	International Business Performance
Communication Styles	0.166
Values & Norms	0.713

For Communication Styles, the f^2 value is 0.166, indicating a medium effect size. This suggests that Communication Styles contribute moderately to the variance explained in International Business Performance. This finding aligns with previous studies that have demonstrated the significant role of effective communication in enhancing business performance. For instance, Welch and Welch (2008) emphasized that clear communication strategies are vital for international business success, as they facilitate understanding and cooperation among diverse stakeholders.

For Values & Norms, the f^2 value is 0.713, indicating a large effect size. This substantial effect size suggests that Values & Norms have a strong influence on International Business Performance. This result is consistent with the literature, which has consistently highlighted the importance of aligning business practices with local values and norms for achieving success in international markets. Hofstede's (1980) cultural dimensions theory and Trompenaars and Hampden-Turner's (1997) work on cross-cultural management support the finding that values and norms play a critical role in shaping business performance.

Multicollinearity Test

Table 7 presents the Inner Variance Inflation Factor (VIF) values for the constructs Communication Styles and Values & Norms in relation to International Business Performance. VIF values are used to assess multicollinearity among the independent variables. Multicollinearity occurs when independent variables are highly correlated, which can affect the stability and interpretation of the regression coefficients. According to Hair et al. (2010), VIF values below 5.0 indicate an acceptable level of multicollinearity, while values above 10.0 suggest severe multicollinearity.

Table 7: Inner VIF

	International Business Performance
Communication Styles	2.800
Values & Norms	2.800

The VIF value for Communication Styles is 2.800, which is well below the threshold of 5.0. This indicates that there is no significant multicollinearity issue with Communication Styles as an independent variable. Similarly, the VIF value for Values & Norms is 2.800, also below the threshold, suggesting that there is no significant multicollinearity issue with Values & Norms as an independent variable.

These findings imply that both Communication Styles and Values & Norms can be reliably included in the model without concerns of multicollinearity affecting the stability and interpretation of the results. This ensures that the regression coefficients for these constructs are stable and that their effects on International Business Performance can be accurately interpreted.

CONCLUSION AND RECOMMENDATIONS

This study concludes that Communication Styles and Values & Norms significantly influence International Business Performance in Abuja. Empirical evidence shows that both constructs positively affect business performance in the international context. The measurement instruments demonstrated high reliability and validity, with factor loadings exceeding acceptable thresholds and strong internal consistency indicated by high Cronbach's Alpha values. Structural equation modeling revealed significant positive relationships, with Communication Styles and Values & Norms accounting for 80% of the variance in International Business Performance. The effect sizes further emphasize their substantial impact, with Values & Norms exhibiting a large effect and Communication Styles showing a medium

effect. These findings align with previous research highlighting the crucial role of effective communication and cultural alignment in international business success. The study underscores the importance for organizations operating in Abuja to prioritize clear, culturally sensitive communication strategies and to align their practices with local values and norms. This research contributes to the field by empirically validating the pivotal roles of Communication Styles and Values & Norms, offering valuable insights for practitioners and a foundation for future scholarly exploration.

Based on the significant findings of this study, the following specific recommendations are proposed:

1. Organizations engaged in international business operations in Abuja should develop and implement comprehensive training programs focused on enhancing cross-cultural communication skills.
2. Businesses should actively align their organizational policies, practices, and strategies with the local values and norms of Abuja to enhance performance.

By implementing these recommendations, organizations can address the key factors that significantly affect their international business performance in Abuja.

References

- Adegbite, S. A., & Olokundun, M. A. (2022). Internationalization strategies and performance of multinational companies in Nigeria. *Archives of Business Research*, 10(7), 1-19. <https://doi.org/10.14738/abr.107.12509>
- Cohen, J. (1988). *Statistical Power Analysis for the Behavioral Sciences* (2nd ed.). Lawrence Erlbaum Associates.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39–50.
- Gudykunst, W. B. (2017). *Cross-cultural and intercultural communication*. Sage Publications.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate Data Analysis* (7th ed.). Prentice Hall.
- Hair, J.F., Hult, G.T.M., Ringle, C.M., & Sarstedt, M. (2017). *A primer on partial least squares structural equation modeling (PLS-SEM)*. Sage Publications.
- Hall, E. T. (2016). *Beyond culture*. Anchor Books.
- Harris, P. R., & Moran, R. T. (2000). *Managing Cultural Differences: Leadership Strategies for a New World of Business* (5th ed.). Gulf Professional Publishing.
- Henseler, J., Ringle, C.M., & Sinkovics, R.R. (2016). The use of partial least squares path modeling in international marketing. In R.R Sinkovics & P.N Ghauri (Eds.), *Advances in International Marketing* (pp. 277-319). Emerald Group Publishing Limited.
- Hofstede, G. (1980). *Culture's Consequences: International Differences in Work-Related Values*. Sage Publications.
- Hofstede, G. (2011). *Dimensionalizing cultures: The Hofstede model in context*. *Online Readings in Psychology and Culture*, 2(1).
- Ijeoma, E., Okeke, C., & Nwankwo, S. (2024). Competitive strategies and performance of firms in Abuja: An empirical analysis. *International Journal of Business and Management*, 16(1), 88-102.
- Kafouros, M., Wang, C., & Aliyu, A. (2021). The role of institutional factors in the internationalization of firms from emerging markets: Evidence from Nigeria. *Journal of International Business Studies*, 52(5), 811-830.
- Kostova, T., & Roth, K. (2002). Adoption of an organizational practice by subsidiaries: Institutional and relational effects. *Academy of Management Journal*, 45(1), 215-233.
- Nkomo, S. M. (2020). *Cross-cultural management in Africa: A review and research agenda*. *Journal of Management Studies*, 57(3), 589-612.
- North, D.C. (1990). *Institutions, institutional change and economic performance*. Cambridge University Press.
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric Theory* (3rd ed.). McGraw-Hill.
- Ogunleye, O. A., Alabi, I. O., & Afolabi, J. A. (2021). Internationalization strategy and profitability of Nigerian-based multinational corporations. *International Journal of Research and Innovation*

- in Social Science, 5(3), 1-12. Retrieved from <https://rsisinternational.org/journals/ijriss/articles/internationalization-strategy-and-profitability-of-nigerian-based-multinational-corporations/>
- Ojo, J., Akintoye, I., & Rufus, A. (2023). The impact of business models on SMEs' performance in Abuja: An empirical investigation. *Journal of Small Business Management*, 61(2), 300-315.
- Okoro, E. (2012). Cross-cultural etiquette and communication in global business: Toward a strategic framework for managing corporate expansion. *International Journal of Business and Management*, 7(16), 130–138.
- Oyewole, P., & Ayoade, O. (2023). Risk mitigation strategies in internationalization: Evidence from Nigerian multinational companies. *Journal of Business Management*, 12(4), 45-60.
- Scott, W.R. (1995). *Institutions and organizations: Ideas, interests and identities*. Sage Publications.
- Trompenaars, F., & Hampden-Turner, C. (1997). *Riding the Waves of Culture: Understanding Cultural Diversity in Business* (2nd ed.). Nicholas Brealey Publishing.
- Trompenaars, F., & Hampden-Turner, C. (2020). *Riding the waves of culture: Understanding diversity in global business*. Nicholas Brealey Publishing.
- Welch, D. E., & Welch, L. S. (2008). The importance of language in international knowledge transfer. *Management International Review*, 48(3), 339–360.
- Zhang, Y., Liu, X., & Chen, G. (2022). Cultural sensitivity in communication: Its impact on international business performance in emerging markets. *International Business Review*, 31(3), 101-115.