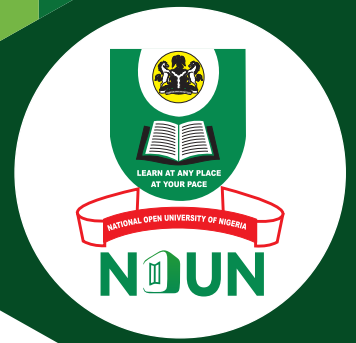


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NOUN Journal of Management and International Development (NOUN JOMAID) is devoted to advancing knowledge, Research and practice. The Journal receives and publishes papers or articles on diverse areas relating to management and International Development. It encourages original research efforts contributing to the advancement of management studies in and outside Nigeria. Fundamental practical problems and challenges in the society are synthesized and solutions proffered from management perspective.

The present volume is the sixth edition essentially published to promote the contributions of seasoned professionals in management studies nationwide on Transforming the Educational System through management in the 21st century. The papers are expository and expression of serious concerns about the state of our educational system in Nigeria.

The Faculty of Management Sciences is pleased to be contributing to the advancement of quality knowledge through this volume.

Professor Samson Babatunde Osoba

Editor-in-Chief

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IMPACT OF GOVERNMENT EXPENDITURE ON EDUCATIONAL AND AGRICULTURAL SECTORS IN NIGERIA

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ABSTRACT

Education and agriculture are identified as key sectors in the economy of Nigeria. This study examined the impact of Government capital and recurrent expenditures on Educational and Agricultural sectors on the economic growth of Nigeria. The research made use of secondary data gathered from the Central Bank of Nigerian (CBN) Statistical bulletin from 1980 to 2018. The time series data generated were first subjected to diagnostic tests and certified fit for empirical use before being analyzed with the Auto Regressive Distributed Lag (ARDL) model using the E-views statistical package. The results showed that government capital expenditures on education and agriculture enhanced economic growth while the recurrent expenditures depressed economic growth in Nigeria for the period under review. The study recommended that government spending should be judged based on social costs and benefits. In this case, careful evaluation of government expenditures between recurrent and capital spending has to be reconsidered in favour of capital expenditure for enhanced economic growth.

Keywords: Education, Agriculture, Capital Expenditure, Recurrent Expenditure, Economic Growth

INTRODUCTION

Sustainable economic growth is a major objective of government expenditure policy and as such, it is obligatory of any government to allocate public spending across different sectors of the economy. Unfortunately, over the years Nigeria has been faced with the problem of translating rising government expenditure to meaningful economic growth (Bonmwa & Ismael, 2017). Economic growth is fundamental for sustainable development in any country. It can be enhanced by the expansion of infrastructures, the improvement of educational sector and other key sectors of the economy. Most governments especially in emerging economies are devoting considerable amount of resources to provide educational and agricultural services, with an underlying objective of improving the level, quantity and quality of our human capital for better economic

performance.

Education and agriculture are one of the primary sectors that helps in achieving development, the sectors deliver the channel through which industrialization is achieved and sustained, and standard of living improved (Olufunmilayo 2016). Both sectors deliver economic development through the channel of human capacity improvement. Whereas, lack of human Capital Development in both education and agricultural sectors has made Nigeria's per capita income to remain low for a long time in the world ranking (Chinonso, 2017). The agricultural sector on one hand remained the main sector of Nigerian economy despite the discovery of oil in commercial quantities and its attendant boom since 1970s. Hence, despite agricultural sector neglect by government at the emergence of oil in 1970s, the sector remained the major employment segment of the economy thereby employing over 60% of the unemployed workforce in country, reduces extreme poverty and as well promotes economic growth of the economy (Eze, 2017).

Education is the foundation upon which developed societies are built. Nations that thrive invest in education as a tool for the development of skills which can be used to produce wealth, create and sustain a suitable society. Agriculture is one of these basic skills of education. Unfortunately, the education decay in Nigeria started in the late 90s when the sector was starved of government funding. Gradually, this was followed by infrastructural decay and brain drain. In 2014, according to Index Mundi, Ghana spent 21.7% of its budget expenditure on education which shows its commitment to improving the sector, compared with Nigeria's 10% in the same year despite the fact that Nigeria has a larger population and even more resources. Poor funding has been identified as the major reason for the rot and challenges in the education and agricultural sectors. Despite the rising government expenditure in Nigeria, the problem of translating this to a meaningful growth and development of the country has been daunting over the years. This is evident by high rates of unemployment, illiteracy rate, and the number of its citizens who continue to wallow in abject poverty, while more than 65% of its people live on less than US\$1 per day (Bonmwa and Ismael, 2017). The major objective of this study is to investigate the impact of Government expenditure on education and agriculture in the country as it affects economic growth from 1980 to 2018 with specific objectives as follows:

- i. To evaluate the effect of government expenditure on education on economic growth of Nigeria.
- ii. To evaluate the effect of government expenditure on agriculture on economic growth of Nigeria.

LITERATURE REVIEW

Conceptual Review

Government expenditures are the costs that are usually incurred by the government for the provision and maintenance of itself as an institution, the economy and society (Bonmwa & Ishmael, 2017). Government expenditures usually tend to increase with time as the economy becomes large and more developed or as a result of increase in its scope of activities. Government Expenditures are the expenses which a government incurs for; its own maintenance, society and the economy and helping other countries (Bhatia 2002). Public Expenditure represents the total government spending to attain the predetermined macro-economic objectives. Governments have recorded a continuous increase over time in almost every country (Yusuf, et al, 2015).

Government expenditure is defined as the expenses incurred by the government in carrying out its responsibilities, that is, in the provision of social services and defense, to mention just a few. According to Owoputi & Alayande in (Okoh, 2015), government expenditure is defined as those expenses and expenditures incurred by government in the course of maintaining herself, the society and improving economy. Government Expenditure is usually classified into Capital and Recurrent Expenditure:- Recurrent expenditure is the expenditure that is incurred yearly for implementation of the various functions of government. Capital expenditure refers to the expenditure earmarked for specific projects that can last for many years. (Yusuf, et al).

Agriculture can simply be defined as the cultivation of the soil and rearing of animals for the purpose of feeding for survival. This definition in itself point out the relevance of agriculture in every society. Agriculture is a way of life that involves production of animals, fishes, crops, forest resources for the consumption of man and supplying the agro-allied product required by our sectors. It is seen as the inherited and dominant occupation employing about 70% of Nigerians. According to Etale & Ayunku (2015), agriculture is the largest sector in many developing countries, Nigeria inclusive. More importantly, most of the world active but poor live in rural areas and are primarily engaged in agriculture and development cannot be over emphasized as it provides employment opportunities to teeming youths in a country.

Education is very important for every nation of the world. It is a continuous process in life and the process of training and developing knowledge, skill, mind and character of people. According to Olaniyonu, Adekoya & Gbeny (2008), education is the process by which the latent abilities of individuals are developed so that they may be useful to themselves and the society. Education is important because the transmission of cultural heritage and technological advancement of any nation depends on it. In recognition of the importance of education, every nation including Nigeria earmarks huge budgetary allocations on a yearly basis (Nwosu, 2008). Ukeje (2002), sees

education as a process, a product and a discipline. As a process, education is a set of activities which entails handing down the ideas, values and norms of the society across generation. As a product, education is measured by the qualities and traits displayed by the educated person. Here, the educated person is traditionally conceived of as a “knowledgeable” and “cultured” person (Aigbedion & Sarah, 2016).

Udoffia & Godson (2016) also investigated the impact of federal government expenditure on the Nigerian economy using the OLS estimation technique and found that federal government capital and recurrent expenditure have a positive effect on real GDP. In summary, the empirical studies reviewed on the actual relationship between government expenditure and economic growth is mixed and inconclusive. The results and evidence differ by analytical method employed, and categorization of public expenditures. The sampled period for this study (1986-2018) differed significantly from all other studies. This was in order to provide a robust empirical explanation for the impact of government expenditure on economic growth in Nigeria.

Conceptually, economic growth is a long term rise in capacity to supply increasing diverse economic goods to its population, this growth capacity based on advancing technology and the institutional and ideological adjustment that is demand. In other words, economic growth refers to increase in a country's potential Gross Domestic Product (GDP), although this differs depending on how national product has been measured. According to Ogundipe & Oluwatobi (2010), economic growth must be sustained for a developing economy to break the circle of poverty. Economic growth can be defined as the steady process by which the productive capacity of the economy is increased over time to bring about rising levels of national output and income (Todaro & Smith, 2005).

Jhinghan (2011) stated that economic growth is the quantitative sustained increase in a country's per capita output or income, accompanied by expansion in its labour force, consumption, capital and volume of trade. Economic growth is the increase of per capita Gross Domestic Product (GDP) or other measure of aggregate income. The International Monetary Fund (IMF) defines Economic growth as the increase in the inflation-adjusted market value of the goods and services produced by an economy over time. It is conventionally measured as the percent rate of increase in real gross domestic product, or real GDP, usually in per capita terms (Carreon, 2013).

Theoretical Review

Classical economists believed that government intervention brings more harm than good to an economy and that the private sector through the forces of supply and demand should

carry out most of the economic activities. According to the classical dichotomy, an increase in the total amount of money leads to a proportionate increase in all money prices, with no change in the allocation of resources or the level of GDP, which is known as money neutrality. The classical economy have a clear message that except for certain unavoidable responsibilities like national defense, the administration of justice and provision of certain socially necessary institutions such as educational institutions that private interest might neglect, the government ought to stay out of economic sphere. Laissez-faire became the motto and the policy was to leave the economy alone out of the government control (Akor, 2010). The Keynesians, on the other hand, favored government intervention to correct market failures. In 1936, John Maynard Keynes (1883- 1946) “General Theory of Employment, Interest and Money” criticized the classical economists for putting too much emphasis on the long run. According to Keynes, “we are all dead in the long run”. Keynes believed depression needed government intervention as a short term cure. Increasing saving will not help but spending. Government should increase public spending giving individuals, purchasing power and producers would produce more, creating more employment. This is the multiplier effect that shows causality from public expenditure to national income. Keynes categorized public expenditure as an exogenous variable that can generate economic growth instead of an endogenous phenomenon. This study therefore bears its theoretical underpinning on the Keynesian theory.

Empirical Studies

Prior studies have been conducted on the relationship between government expenditures and economic growth in Nigeria and across countries. Some of which were reviewed in this section.

Okoye et al (2019) examined the impact of Government expenditures of economic growth in Nigeria using data spanning from 1981-2017. The secondary data gathered was analyzed using the Ordinary Least Squares Regression Method. The study results showed that government capital expenditures propelled economic growth while the current expenditures signed negatively to the Gross Domestic Product which was the proxy for economic growth in Nigeria.

Oyinlola & Akinnibosun (2013) examined the relationship between public expenditure and economic growth in Nigeria during the period 1970-2009. The study used components of public expenditure such as recurrent expenditure, capital expenditure, administrative expenses, community and social service and transfer. The result also showed the presence of a cointegrating relationship between the variables in the system thus, suggesting that a long term relationship exists between them. Among other studies with similar findings are Nworji, Tajudeen & Fasanya (2013), Aregbeyan & Akpan (2013). Gukat (2015), analyzed the relationship between government expenditure on human capital and economic growth in Nigeria. Using

the error correction mechanism the study found that public expenditure on human capital has a positive and significant impact on economic growth in Nigeria.

Emori, et al (2015) investigated the impact of government expenditure on the Nigerian economy using ADF unit root test and OLS regression test. The results showed that public expenditure had a significant effect on the Nigerian economy. Ebong, et al (2016) assessed the impact of government capital expenditures on economic growth in Nigeria. A multiple regression model based on a modified endogenous growth framework was utilized to capture the interrelationships. Drawing on error correction and counteraction specifications, an OLS technique was used to analyze the annual time series. The results showed that the disaggregated expenditures did not crowd out private investment.

Udoffia & Godson (2016) investigated the impact of federal government expenditure on the Nigerian economy using the OLS estimation technique and found that federal government capital and recurrent expenditure have a positive effect on real GDP. The findings confirmed that the relationship between government expenditure and economic growth is mixed and inconclusive. Their results and evidence differed by analytical method employed, and categorization of public expenditures. The sampled period was for (1981-2015).

Peter & Lyndon., (2015) utilized the augmented Dickey –Fuller and Phillips Perron unit root tests for the variables of interest such as Real Gross Domestic Product (RGDP), Agriculture Expenditure (AGR) Inflation Rate (INF), Interest Rate and Exchange Rate (EXR) to ascertain whether the variables are of order one i.e. whether the variables are integrated of the same order; 1(1) so as to avoid the estimation of spurious regression. The study examined the effect of agriculture spending on economic growth in Nigeria by exploring some econometric techniques. The result showed that RGDP was particularly influenced by changes in AGR, INF, INT and EXR. The variables contributed significantly to the economic growth in Nigeria both in the short-run and long-run.

In the research of Bonmwa & Ishmael (2017) on the empirical analysis of Government expenditure and economic growth in Nigeria, their findings implied the existence of a long-run relationship between both recurrent and capital expenditure with economic growth. The study also showed that social and community services as well as economic services were negative and non-significant in explaining economic growth. However, economic services were negative and also insignificant. It was also indicated that the economic services sector which comprise of agriculture, transport, communication etc. have not complied with theoretical expectation. In Nigeria these sectors have been neglected and this has led to this undesirable outcome.

The work of Aigbedion et al (2017) also showed the variation in real gross domestic product. and suggested that economic growth can be improved by increasing Education indicators in Nigeria if everything being equal. Durbin Watson statistic of 1.9 suggests that the model is free from serial auto

correlation. The result from his study revealed that a better-educated labour force appears to have a positive and significant impact on economic growth both via factor accumulation as well as on the evolution of total factor productivity.

Sebastian et al (2018) examined the impact of government expenditure on Agriculture expenditure in Nigeria. The findings of this paper revealed that there exists positive and significant relationship between government agricultural expenditure (financing) and its output, although a weak one, as rightly shown in our regression analysis. As a sector that provides basic foundation to the Nigerian economy, increased improvement in agricultural production would not only enable Nigeria to feed its teeming population but it would also assure a return to its former position (glory) as an exporter of agricultural products to global markets in the years ahead.

Summarily, the results of the studies reviewed showed lack of consensus in the findings, while some aligned with government expenditures propelling growth, a few others did not agree. The studies also differed in methodological approaches, sectorial coverage and period of study. The sampled period for this study (1981-2015) differed significantly from all other studies. This was in order to provide a robust empirical explanation for the impact of government expenditure on economic growth in Nigeria. Therefore, this study is an improvement on the previous studies on economic growth and government expenditure relationship in Nigeria. It considers government spending only in two categories – capital and recurrent expenditure as important variables that affects economic growth. Secondly, it extends the study period to 2018 and finally employed the Autoregressive Distributed Lag (ARDL) model. The importance of disaggregating government expenditure for proper appreciation of the role of the government cannot be underscored.

RESEARCH METHODOLOGY

The paper adopted ex-post facto research design and utilized the Autoregressive Distributed Lag (ARDL) method to analyze the time series data sourced from the Central Bank of Nigeria (CBN) Statistical Bulletin covering 1980-2018.

Model Specifications: The GDPGR is the dependent variable, while government expenditures on education and agriculture, the government recurrent expenditures on education and agriculture and interest rate are the independent variables. The model for the **effect of the capital and recurrent expenditures on economic growth** in Nigeria could be stated as follows:

$$RGDPGR = F(CEDU, CAGRIC, REDU, RAGRIC, INTR) \dots\dots\dots(1)$$

where

- | | |
|--------|---|
| RGDPGR | = Growth rate of real gross domestic product |
| CEDU | = The government capital expenditure on education |
| CAGRIC | = The government capital expenditure on agriculture |

REDU = Government recurrent expenditure on education

RAGRIC = Government recurrent expenditure on agriculture

INTR = Interest rate

In order to establish a linear relationship between the dependent variable and independent variables, an econometrics model is therefore specified as follows:

$$RGDPGR = \beta_0 + \beta_1 CEDU + \beta_2 CAGRIC + \beta_3 REDU + \beta_4 RAGRIC + \beta_5 INTR + \mu_t \dots \dots \dots (2)$$

where

μ_t = Error term

β_0 = the constant term

β 's = the parameters to be estimated

For statistical reason, we adopt a line -log regression model. The assumption states that the logarithm of the expected value of the response variable is a linear combination of the explanatory variables. We use logarithms because this transformation is the most commonly used variance stabilizing tool for variables that have wide range (Weisberg, 1980). The log model is therefore stated as follows:

$$RGDPGR = \beta_0 + \beta_1 \text{LOG}(CEDU) + \beta_2 \text{LOG}(CAGRIC) + \beta_3 REDU + \beta_4 RAGRIC + \beta_5 INTR + \mu_t \dots \dots \dots (3)$$

where

β_0 = constant term of the model.

β_s = coefficients of the explanatory variables

μ_t = stochastic error term

Method of result evaluation

This paper adopted the Augmented Di ckey Fuller (ADF) test procedure for stationarity test. The Auto Regressive Distributed Lag (ARDL) bound test is conducted on the assumption that the variables under consideration are either integrated of order zero or order one. Hence an order of integration was determined using the ADF test procedure. The null hypothesis that guided the test is stated as follows: $H_0: \beta=0$ (β has a unit root); $H_1: \beta<0$ (for alternative hypothesis). The ARDL model is written as follow:

$$\begin{aligned} \Delta RGDPGR_t = & \beta_0 + \sum_{i=0}^n \beta_1 RGDPGR_{t-i} + \sum_{i=1}^n \beta_2 \text{LOG}(CEDU)_{t-i} + \sum_{i=0}^n \beta_3 \Delta \text{LOG}(CAGRIC)_{t-i} + \sum_{i=0}^n \beta_4 \Delta REDU_{t-i} + \sum_{i=0}^n \beta_5 \Delta RAGRIC_{t-i} + \sum_{i=0}^n \beta_6 \Delta INTR_{t-i} \\ & + \sum_{i=0}^n \beta_7 RGDPGR_{t-1} + \beta_8 \text{LOG}(CEDU)_{t-1} + \beta_9 \text{LOG}(CAGRIC)_{t-1} + \beta_{10} REDU_{t-1} + \beta_{11} INTR_{t-1} + \varepsilon_t \dots \dots \dots (4) \end{aligned}$$

where

Δ = Difference operator

ε_t = Stochastic term

Conducting ARDL bound test, an Ordinary Least Square (OLS) is estimated firstly in order to establish if there exists a long run relationship between the variable under consideration. The test is based on an F-Statistic for the joint statistical significance of the lagged variables. The null hypothesis of no cointegration ($H_0: \beta_7 = \beta_8 = \beta_9 = \beta_{10} = \beta_{11} = 0$) is evaluated using Pesaran *et.al.* (2001) procedure. The underlining assumption is therefore stated as follows: if the F-statistic is > upper critical bound, H_0 is rejected and concludes that the variables under consideration are cointegrated, otherwise it is not accepted. However, if F-statistic = lower critical bound = upper critical bound, then decision becomes inclusive. If the null hypothesis of no cointegration is rejected, an error-correction term is therefore estimated (Narayan and Narayan, 2006). The vector error correction model is specified as follows:

$$\Delta RGDPGR_t = \alpha_0 + \sum_{i=1}^n \alpha_{1i} \Delta LOG(CEDU)_{t-1} + \sum_{i=0}^n \alpha_{2i} \Delta LOG(CAGRIC)_{t-1} + \sum_{i=0}^n \alpha_{3i} \Delta REDU_{2t-1} + \sum_{i=0}^n \alpha_{4i} \Delta RAGRIC_{3t-1} + \sum_{i=0}^n \alpha_{5i} \Delta INTR_{4t-1} + \lambda ECM(-1)_t \quad \dots\dots\dots(5)$$

where:

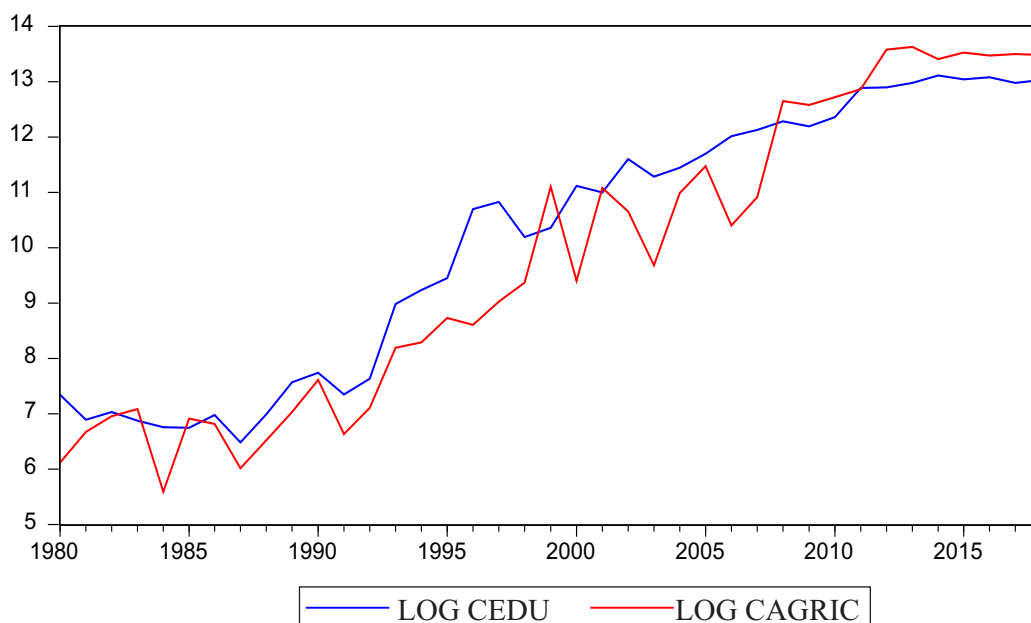
$ECM(-1)$ = The error correction term

λ = the error coefficient

DATA ANALYSIS AND RESULTS

From the trend analysis of the capital expenditures on education and agriculture in Nigeria from (1980 - 2018), it can be observed that there has been an upward trend in the growth of the capital expenditures on education and agriculture from 1980; the figure 1 below indicates an upward swing between 1980s to 2005. However, from 2010 to 2015 the figure shows a major leap upward and then remained constant during 2015 to 2017 periods. Although the trend indicated smooth ups and downs which clearly indicate that there are fluctuations in the in the country's public expenditure growths during the period under review.

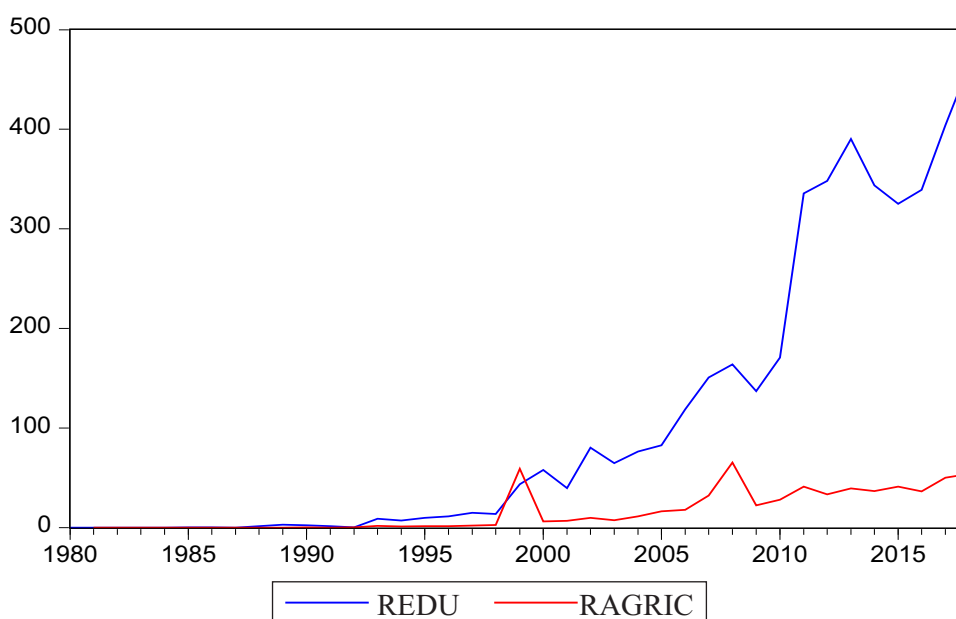
Figure 1: the trend of capital expenditures on education and agriculture in Nigeria



Source: Author's computation from E-views result

Also, from the trend of the recurrent expenditures on education and agriculture in Nigeria from (1980 - 2018), it can be observed that there was a constant trend in recurrent expenditures in education and agriculture in the Nigerian economy from 1980 to 1999. From the year 2000, the figure shows an upward trend in the growth of the recurrent expenditure on education, while that the agriculture remained constant during the period under review.

Figure 2: the trend of recurrent expenditures on education and agriculture in Nigeria



Source: Author's computation from E-views result, 2020

Descriptive statistics

The Jarque-Bera (JB) test statistic was used to determine whether the variables (control variables) follow the normal probability distribution. The descriptive statistics for the variables under consideration are therefore presented as follows:

The descriptive statistics

	RGDPGR	LOG(CEDU)	LOG(CAGRIC)	REDU	RAGRIC	INTR
Mean	19.88162	10.20880	9.850021	110.9400	16.55476	15.10021
Median	6.366875	10.91096	9.542054	41.74662	6.700162	12.64000
Maximum	550.5400	13.10919	13.63165	465.3011	65.39901	35.05875
Minimum	-7.060000	6.482343	5.591584	0.162154	0.012770	3.720000
Std. Dev.	88.56314	2.398394	2.668625	145.2296	20.06041	8.282576
Skewness	5.886255	-0.316105	0.069897	1.144723	0.944047	0.878191
Kurtosis	35.78026	1.528701	1.572730	2.819859	2.566790	2.860208
Jarque-Bera	1920.801	4.060315	3.256349	8.350525	5.941571	4.915327
Probability	0.000000	0.131315	0.196288	0.015371	0.051263	0.085635
Sum	755.5016	387.9344	374.3008	4215.721	629.0810	573.8081
Sum Sq. Dev.	290206.9	212.8348	263.4976	780390.4	14889.53	2538.239
Observations	38	38	38	38	38	38

Source: Author's computation from the E-views result, 2020

From the result table, the descriptive statistics indicates that from 1980 to 2018, the growth the RGDPGR, LOG(CEDU), LOG(AGRIC), REDU, RAGRIC and INTR show a positive mean values respectively. The standard deviation showed that the highest standard deviation of is recorded by the RGDPGR while the least standard deviation of is recorded by LOG(CEDU). The skewness statistics from the table revealed that five of the variables are positively skewed while one variable is skewed negatively; the kurtosis coefficients showed that one of the variables is leptokurtic, suggesting that the distributions is high relative to normal distribution; also, three variables are mesokurtic, indicating not too flat topped and two variables are platikurtic, suggesting that the variables distribution are too flat. The probabilities of Jarque-Bera test of normality for the variables indicates that all of the variables have values greater than 5% level of significance. This implies that the variables are normally distributed.

Correlation

Under the correlation test, we conduct the test to ascertain the degree of relationship that exists between the dependent variable and the independent variables. The relationships among the studied variables depicted in the model were tested using correlation matrix and the result presented below:

Correlation matrix

	RGDPGR	LOG(CEDU)	LOG(CAGRIC)	REDU	RAGRIC	INTR
RGDPGR	1.000000	-0.201461	-0.170976	-0.105654	-0.122155	-0.184632
LOG(CEDU)	-0.201461	1.000000	0.959202	0.789747	0.751907	0.415641
LOG(CAGRIC)	-0.170976	0.959202	1.000000	0.865072	0.843960	0.469839
REDU	-0.105654	0.789747	0.865072	1.000000	0.810251	0.664668
RAGRIC	-0.122155	0.751907	0.843960	0.810251	1.000000	0.439735
INTR	-0.184632	0.415641	0.469839	0.664668	0.439735	1.000000

Source: Authors' computation from the E-views result, 2020

The correlation result shows that five of the variables have negative values ranging from 20%, 17%, 10%, 12%, and 18% respectively. This result suggests there is no multicollinearity among the variables under consideration.

The Unit root test

Variable	Level difference	Probability	Order of integration	First difference	probability	Order of integration
RGDPGR	-6.252441	0.0000	I(0)	-17.71924	0.0001	I(1)
LOG(CEDU)	-0.596510	0.8591	I(0)	-5.502993	0.0001	I(1)
LOG(CAGRIC)	0.030906	0.9554	I(0)	-7.906402	0.0000	I(1)
REDU	1.421035	0.9987	I(0)	-4.960978	0.0003	I(0)
RAGRIC	-2.381020	0.1538	I(0)	-7.121287	0.0000	I(0)
INTR	-1.027548	0.7336	I(0)	-6.131289	0.0000	I(1)

Source: Author's computation from the E-views result, 2020

The stationarity tests result indicate that one of the variables under consideration is stationary at level difference, while five other variables are integrated of order one at 5% level of significance. Since there exists a mixed order of cointegration, a bound cointegration test is therefore conducted.

Result of the Analysis

Bound auto regressive distributed lag (ARDL) testing approach

Conducting the ARDL bounds test procedure, it is expected that the variables are I(0) or I(1), otherwise, the variable may be considered spurious. We therefore compute an F-statistics test procedure to test the long-run relationship in which the maximum lag length p is 2 in the ECM. The results for the bounds for the F-test is therefore presented as follows:

The ARDL Bound test result

ARDL Bounds Test				
Null Hypothesis: No long-run relationships exist				
Test Statistic	Value	k		
F-statistic	3.151697	5		
Critical Value Bounds				
Significance	I0 Bound	I1 Bound		
10%	2.26	3.35		
5%	2.62	3.79		
2.5%	2.96	4.18		
1%	3.41	4.68		

Source: Authors' computation from the E-views result, 2020

The Bound test result from the table above indicates that the underling ARDL model can be established to determine the long-run slope-estimated coefficients and the short-run dynamic-estimated coefficients. The ARDL (1, 4) is selected based on Akaike information criterion (AIC), and the estimated am. results are shown in Table 2 below:

The short run effect of the capital and recurrent expenditures on economic growth

There is long-run equilibrium relationship among the variables in the regression model; however, it is the short-run that transmit to the long-run. Thus, Error Correction Mechanism (ECM) is therefore used to correct or eliminate the discrepancy that occurs in the short-run. The ECM result is therefore presented below:

The short run error correction model

Dependent Variable: RGDPGR				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(RGDPGR(-1))	0.211604	0.173514	1.219521	0.2536
DLOG(CEDU)	6.944208	3.493474	1.987766	0.0781
DLOG(CAGRIC(-1))	-4.520542	2.318034	-1.950162	0.0829
D(REDU)	-0.157358	0.049801	-3.159749	0.0116
D(REDU(-2))	0.148619	0.047176	3.150337	0.0117
D(RAGRIC)	-0.048254	0.087582	-0.550956	0.5951
D(RAGRIC(-2))	-0.458183	0.114965	-3.985398	0.0032
D(INTR)	-0.008292	0.204516	-0.040545	0.9685
D(INTR(-3))	0.642343	0.326848	1.965268	0.0810
ECM(-1)	-0.653868	0.253177	-2.582650	0.0296

Source: Author's computation from the E-views result, 2020

In the short run result, the coefficient of the lagged variable of regressand indicate positive sign. The equilibrium error-correction coefficient ECM (-1) is -0.653868 which has the expected negative sign and statistically significant. The implication is that there is a long run causality running from independent variables to dependent variable. It also confirms that all the variables are cointegrated or have long run relationship. We can therefore states that 6 percent gap between long run equilibrium value and the actual value of the dependent variable (RGDPGR) has been corrected. It can be also said that the speed of adjustment towards long run equilibrium is 6 percent annually. Its t-ratio is -2.582650 and the probability of the null hypothesis being true for zero is $[0.0296]$, which is significant even when $\alpha = 0.05$. Thus, it can also be concluded that the adjustment is quite meaningful in the short-run ARDL relationship.

The long run relationship of the capital and recurrent expenditures on economic growth

Long Run Coefficients				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
LOG(CEDU)	3.658244	6.282007	2.582337	0.0046
LOG(CAGRIC)	0.445963	7.617611	2.058544	0.0046
REDU	0.019411	0.052615	0.368926	0.7207
RAGRIC	-0.091663	0.478583	-0.191529	0.8524
INTR	-0.959388	0.670286	-1.431311	0.1861
C	-17.848136	16.367216	-1.090481	0.3038

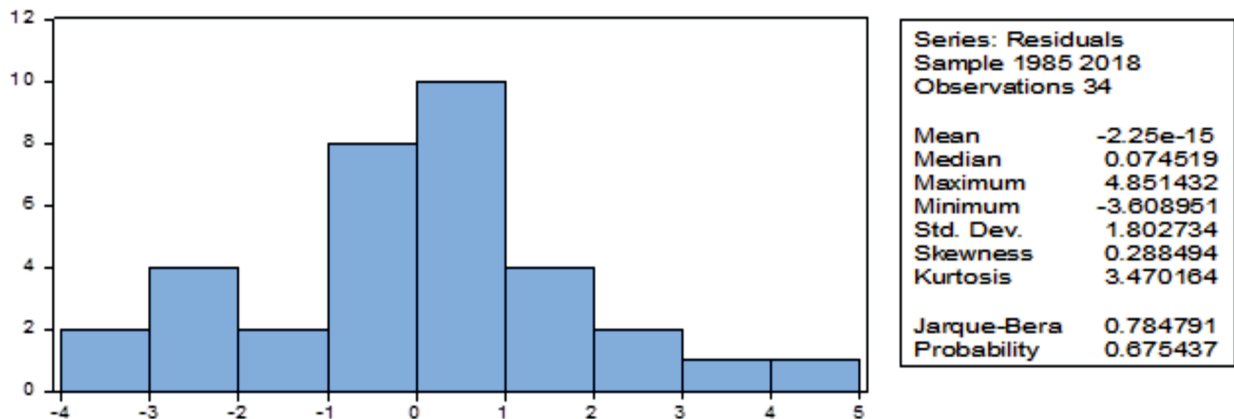
Source: Author's computation from the E-views result (2020)

The long-run elasticity of the independent variables contributing to RGDPGR indicate that LOG(CEDU), LOG(CAGRIC) and REDU show a significant positive sign. It show that the variables impacted positively on the economic growth in the long run; while other variables RAGRIC and INTR affected the economic growth negatively though not statistically significant in the long run during the period under review.

DIAGNOSTIC TEST

NORMALITY TEST

This is a test to indicate the normality of the error terms are normally distributed. It goes with the following decision rule: if the Jague Bera test is less than the X^2 (chi square) tabulated, then the error term is normally distributed otherwise it is not. The graph below shows the normality result obtained:



Source: Author's computation from the Eviews result, 2020

For the variable under consideration, the $\chi^2(2) = 0.784791$ is less than the tabulated χ^2 (5.99441). We conclude that the error of the variables term is normally distributed.

Heteroscedasticity test:

Under the heteroscedasticity test, we make the following assumptions: if the chi-square calculated is less than the chi-square tabulated, we accept H_0 otherwise we reject.

Heteroskedasticity Test: Breusch-Pagan-Godfrey			
F-statistic	0.81752 3	Prob. F(24,9)	0.6730
Obs*R-squared	23.3083 8	Prob. Chi-Square(24)	0.5017
Scaled explained SS	2.01713 6	Prob. Chi-Square(24)	1.0000

For the variables under consideration, probability value of the chi-square under 24 degrees of freedom chi square is greater than 0.05 level of significant. Thus, we conclude that the error term of the variables under consideration are homoscedastic.

Discussion

it was established that:

- Government capital expenditure on Education promotes economic growth in Nigeria
- Government recurrent expenditure on Education depresses economic growth in Nigeria.
- Government capital expenditure on Agriculture promotes economic growth in Nigeria.
- Government recurrent expenditure on Agriculture depresses economic growth in Nigeria.

The capital expenditure of the Federal Government of Nigeria on agricultural sector and federal government of Nigeria on agricultural sector and educational sector from the year 1980-2018. The CBN statistical Bulletin, which is the major instrument for the study did not explicitly differentiate the expenses if each sector as far as Federal Government Capital Expenditure is concerned. Thus, from the analysis of table 1, it is practically clear that the Agricultural sector will have the lowest capital expenses among the sectors under the Economic Services. Much money has been invested to build infrastructures in the Education sector most especially from year 2007 to 2010 and from 2013 to 2014 respectively when the capital expenses on Social and Community Services witness a significant boost which started in year 2007 with about 91.8% growth rate.

Although, there was a decrease of about -25% growth rate between 2015 and 2016 in the sector. This was practically a period when economic recession began in Nigeria due a decrease in the patronage of Crude Oil at the international markets. And since the backbone of Nigerian economy was crude oil with a negligence in the agricultural sector, then the country was affected in all ramifications. This also affected the GDPs of the country which dramatically decreased from 568.496 Million Dollars in 2014 to 493.841 Million Dollars in 2015 respectively. This is about -13.1% decrease in the growth rate. By implication, the GDPs continue to witness a spontaneous decrease as far back as 2015 to till 2018.

This finding is in line with Okoye et al (2019) and Barro (1990) who hypothesizes that unproductive government spending is liable to depress economic growth. This means that government has to reduce its recurrent expenditure and increase capital expenditure in order to stimulate economic growth.

Conclusion and Recommendations

Based on the above findings, government capital expenditures on education and agriculture promotes economic growth while the recurrent expenditures depress economic growth in Nigeria.

It is established in this study that government capital expenditure stimulates economic growth in Nigeria. This finding is in line with the theoretical postulation that government productive expenditure promotes economic growth. Thus, the current dismal performance of Nigeria economic may be attributed to the imbalance if the distribution of government expenditure in favour of consumption expenditure (recurrent expenditure) rather than investment expenditure (capital expenditure).

Recommendations

Based on the outcome of the study, the following recommendations are made:

Government spending should be judged based on social costs and benefits. In this case, careful evaluation of government expenditures between recurrent and capital spending has to be considered. A minimum level of consumption spending is needed to make capital expenditure effective. Funds allocation should be in favor of capital expenditure for the key sectors for improved social benefits and economic growth.

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EFFECT OF ASYMMETRIC BEHAVIOUR OF INTERNATIONAL FLOWS: EVIDENCE FROM ENUGU METROPOLIS, ENUGU STATE, NIGERIA.

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ABSTRACT

The study was carried out to evaluate the effects of asymmetric behaviour of international flows: Evidence from Enugu metropolis, Enugu state. The study used a survey approach. A population of 1,341 respondents was used. The whole population was used owing to the smallness of the number. 1,336 respondents returned their questionnaire well filled. That gave a 98.53 per cent response rate. The instrument's validity was tested using content analysis and the reliability was tested using the Pearson correlation coefficient (r). It gave a reliability coefficient of 0.76, which was also good. Data were presented and analysed by mean scores (greater than 3.0 agreed and less than 3.0 for disagree) and standard deviation using Sprint Likert scale. The hypotheses were analysed using Kolmogorov Smirnon Z - test. The findings indicated that there are sources of asymmetric behaviour of international flows in Enugu metropolis, Enugu state $f(n-336) = 5.257$ greater than 1.96, asymmetric behaviour of global flows do have an adverse effect on emerging markets like Enugu metropolis, Enugu state $f(n-336) = 5.828$ greater than 1.96, and there are possible measures to lower asymmetric behaviour of international flows in Enugu metropolis, Enugu state $f(n-336) = 5.257$ greater than 1.96. The study concluded that asymmetric international flows have sources and adverse effects on emerging economies, but there are still measures to lower them. However, a low interest rate in our financial sector is significant, and a harmonised trade system between countries needs to be put in place

Keywords: Asymmetric, International flows, Emerging economy, Trade system, Interest rates.

Introduction

Today's dynamic and competitive international market makes it impossible for some countries to surmount the challenges they face to ensure mutual exchange of vital elements in the international flows; the result is asymmetric behaviour of the international flows. Asymmetric behaviour of international flows shows in details parts that fail to correspond to one another in shape, size or arrangement, lacking summary, lopsided and imbalance in capital and trade flow behaviour countries in the international market. (Raheem Le Roux and Asogun 2019). The liberalisation of the global market economy has led to an increase in the cross border flows of capital. The underpinning has shown that there is a positive relationship between capital flows and economic growth.

On the other hand, asymmetrical situations occur when principles of free competition are interfered with, mainly because of the behaviour of agents who exercise on the other agents an asymmetrical

power, particularly the state, the large enterprises or the unions. This asymmetrical influence is constantly harmful to the community in total. Every asymmetry is a transitory evil that must be corrected by suppressing its causes and intervention of the state which must be reduced at best to its sole sovereign functions on the one hand and all monopolistic and oligopolistic situations that must be banned on the other hand. Though there are bad and good asymmetries, social conventions and democratic institutions are necessary to correct and eliminate the bad asymmetric causes of environmental degradation, destructive crises and impoverishment. On the contrary virtuous asymmetries that generate emulation, creativity and improves people's well-being in terms of sustainable and inclusive development must be in terms of sustainable and inclusive growth must be encouraged. Heath (2015) posits that several factors have been at play in creating an asymmetric behaviour of international flows. First, there has been a growth in domestic economies in a world characterised by liberally mobile capital flows across currencies and borders. Second, the financial system worldwide has transformed noticeably and has turn out to be highly expanding in terms of actors and products, permitting for more significant interaction with the actual “economy”. Third, the globalization of the financial system has sharpened the likelihood that financial inequality co-occurs across crossways countries due to the expected influence of global factors. This highlights the influential role of “global liquidity”, a concept that encompasses the degree of ease in financial conditions. This paper intends to study the asymmetric behaviour of international flows, evidence from Enugu metropolis, Enugu state.

International flows have remarkably been on the rise as a result of several factors recently. Market-driven economies have emerged over the years, thereby increasing the flows of cash and goods among nations on the international markets, as well as giving countries the opportunities to complete; some nations, as a result, have developed certain advantages over others. This innovation has resulted in a competitive advantage. The advanced countries always have a friendly environment to do business; there are friendly business policies, good infrastructures, enough energy provisions, adequate communication infrastructure, microeconomic strategy and others. Developing African nations like Nigeria, Ghana, Kenya, Somalia etc. do not enjoy such provision like the developed nations, this creates differences in their abilities and production levels, etc. studies has shown that asymmetry comes in the flow of financial and material goods among countries on the international market because of these and other factors, asymmetries in the international flows comes from other sources such as difference in the valuation of imports and exports, differences in the attribution of trade partners, differences in recording re-exports, trade system, differences in currency conversion and as well as differences in classifications. The asymmetric situation in the international flows needs to improve; otherwise, the less developed countries, which produce less, are bound to suffer and be left with a situation where the wealthy nations get richer while the developing nations get poorer. It has become increasingly clear that developing countries need to become innovative to compete in the international market. This study focus on asymmetric behaviour of international flow; evidence from Enugu metropolis, Enugu state.

1.3 Objectives of the Study

This paper aims to evaluate the asymmetric behaviour of international flows evidence from Enugu metropolis, Enugu state.

The specific objectives of this study are to:

1. Establish the sources of asymmetric behaviour of international flows in Enugu metropolis, Enugu state.
2. Examine the effects of asymmetric behaviour of international flows on the emerging

economy in Enugu metropolis, Enugu state.

3. Explore possible measures to lower asymmetric behaviour of international flows in Enugu metropolis, Enugu state.

1.4 Statement of Hypotheses

The following null hypotheses (H^0) will guide the study

1. Asymmetric behaviour of international flows does not have identifiable sources in Enugu metropolis, Enugu state.
2. Asymmetric behaviour of international flows do not have any effect on an emerging economy like Enugu metropolis, Enugu state
3. Possible measures to lower asymmetric behaviour of international flows in Enugu metropolis, Enugu state do not exist

2.1 REVIEW OF LITERATURE

2.1.1 International Flows: Overview

Trade between countries has always generated an exchange of finance; this financed flow has been on the significant rise in recent times; experts thus refer to it as international (capital) flows. Mack (2019) posits that international flows refer to the financial side of international trade; the exchange of goods and services between an importer and exporter results in a monetary payment, this payment generates financial flows. Capital flows are transactions involving financial assets between international entities; financial assets to be included can be bank deposits, loans, equity securities, debt securities etc., capital outflow generally results from economic uncertainty in a country, while large amounts of capital inflow indicate a growing economy. (Hen and Scott (2021) believe that capital flows denote the movement of money for trade, investment, or business operations within a firm, these include the flow of funds in the form of capital spending on operations, investment capital, and research and development. On a large scale, direct government capital flows from tax proceeds into programs and procedures and through trade with other nations and currencies, individuals investors direct savings and investment capital into securities such as stock, bonds and mutual funds (Kumhof, 2020). When capital for investment goes from one country to a different country, it is a capital flow. All capital flows consist of just money that is a consequence of investment flows. Furthermore, capital flows include the movement of funds in and out of the bond and stock markets; cross border mergers and acquisitions are also in this category.

2.1.2 Sources of Asymmetric Behaviour of International Flows

A lot of factors bring about this asymmetric behaviour of international flows, the strength and peculiarities by nations differ, it as well affects the financial transactions between them. Jarorsek (2016) posits that sources of asymmetry in international flows include the difference in valuation of exports and imports; a standard measurement which is a metric system based on the international system of links, is recommended, but sometimes some countries follow other standards for measurement, that result in asymmetry, another source is a currency conversion, the exchange rate is never the same between different countries, the countries with less purchasing power currency tends to suffer. When the exchange rate is volatile in an economy, it usually produces an asymmetric effect. The asymmetric impact is primarily due to the change in expectation of traders when the currency depreciates. There is always panic among traders, which leads to panic trading that produces asymmetric behaviour (Ajjab and Oskooee, 2017).

Yoke-kee and Wong (2016) believe that asymmetric in international flows occur due to the trading

system, classification differences among nations and differences in currency values among countries. Another source is the issue of time lag; this refers to the difference in time of a business transaction between different nations, and when transaction is at its point of final execution, a lot of differences could have occurred during that period.

2.1.3 Implications of Asymmetric Behaviour of International Flows

Asymmetric capital flow among countries usually creates situations that most times are ugly. Bosworth and Collins (1999) post that asymmetries in international flows generate a crisis that seriously impacts emerging markets, forcing many to raise domestic interest rates to stem an outflow of financial capital and prevent further exchange rate collapse. The interest rate increase has in turn depressing domestic economic activity. Asymmetries in international flows have also led to difficulties for developing countries, these financial sector difficulties for the developing countries, includes inflationary pressures, financial sector difficulties, widening current account deficits and a rapid build-up of foreign debt, changes in expected assets return, recession and severe problem for financial systems (Khan and Khan, 1998). Schorth (2021) posits that capital flows are positively related to economic growth across developing countries, but it still creates a situation of saving more than investment; fast-developing countries scale up their holdings of debt assets, which creates net capital inflows despite outflows of foreign direct investment.

2.1.4 Measure to Lower Asymmetries in International Flows

Asymmetric international flows usually have negative impacts; economics suffer a lot, measures to reduce implications are vital. Financial inclusion and stock market development are essential, growth in financial inclusion in the financial system supports foreign capital flows in the form of FDI, and on the other hand well developed and efficient financial market particularly stock market development, encourages positive trends in foreign portfolio investment (Jiangguo and Qammazzanian, 2019).

Du, Shu and Xia (2020) posit that lowering asymmetries on capital flows rests on diminishing adverse selections; this refers to a situation in which one party is more informed and uses it to gain more benefits, reducing the cost of obtaining information and expanding the channels can help in this case.

2.2 Theoretical Review

2.2.1 The Theory of International Factor Flows: The Basic Model

The basic model discusses the simultaneous international flow of labour and capital as a one commodity model in which countries share technology. This model promoted by Jones and Easton (1986) posits that an optimal restriction of labour inflows is superior to an optimal restriction of capital outflows for an abundant capital country. Its extension reveals that optimality requires inflows of both factors. Box diagrams and Iso – welfare contours are used to show how optimal policy rankings are reversed if foreign labour must be paid higher home wages.

2.2.2 New Growth Theory

The new growth theory propounded by Daniel Liberto and reviewed by Estevez (2021) is an economic notion positing that humans needs and unlimited wants foster ever-increasing efficiency and economic development. It argues that actual gross domestic product (GDP) per person will perpetually increase because people pursue profits. The new growth theory presented a fresh take on engineers economic prospects. It emphasises the significance of innovation, entrepreneurship knowledge, and technology, challenging the view of exogenous expansion in neoclassical economics that external, uncontrollable forces determine economic progress. Competition squeezes profit, so people have to consult to search for healthier ways to do things or

invent new products to maximise productivity. This notion is one of the fundamental beliefs of the new growth theory. The new growth theory argues that innovation and new technologies do not occur simply by random chances; rather, it depends on the number of people seeking out innovations or technologies and how hard they are looking for them. People also have power over their knowledge capital – how hard to study, what to learn, etc. if the profit inducement is excellent enough, people will prefer to grow human capital and look more challenging for innovations. An essential facet of the new growth theory is the thought that knowledge is treated as an asset for expansion that is not subject to finite restrictions or diminishing returns like other assets such as capital or real estate, knowledge is an intangible quantity, rather than physical and can be a resource grown within an organisation or industry.

2.3 Empirical Review

Sumanda (2010) surveyed the literature on trade theory, from the classic comparative advantage to the new trade theories used by lots of advanced countries to direct industrial policy and trade. The researcher provided an account of the neo-classical brand of reciprocal demand and resources endowment theories and logical critiques. A helpful supplement is provided in terms of Staffan Linder's theory of "overlapping demand which explains trade structure in terms of collective order. Awareness is drawn to new developments in trade theory, with strategic trade providing inputs to industrial policy. The issue relating to trade, growth, and development are dealt with separately, supplemented by an account of the neo-Marxist version of trade and underdevelopment.

Neuman (2020) examined the impact of increased equity trade on a small open economy. The researcher employed stochastic second-period output, which depends on first-period investment; owing to information asymmetry, domestic agents cannot reveal the level of first-period investment credibly to international financiers. Consistent with current suggestions to make more robust the international financial system, domestic firms have decided to acquire self-monitoring costs to boost capital inflows. As a substitute for borrowing, domestic agents may sell ownership claims to second-period output; when equity claims convey information, equity trade is preferred to international lending, consistent with developing economics observed reliance on international equity relative to debt in recent years.

Balogun, Okafor and Ihayere (2019) carried out a study on the impact of capital flows on economic growth in Nigeria. The researchers sourced data for the study from the Central Bank of Nigeria (CBN) Benin Branch. The data used covered a period of 1981 to 2016. The technique of error correction model framework and autoregressive distributed lag was adopted in estimating the specified model. Findings from the study revealed that capital flows significantly influence economic growth in Nigeria. The study consequently recommends that sound, robust and vigorous economic policies of drawing and attracting capital flows into the nation that helps bridge the needed capital for economic growth and development in Nigeria should be implemented.

Nwosu and Astra (2014) examined the causal nexus between capital inflows (foreign direct investment and foreign portfolio investment) and exchange rate in Nigeria; the researchers examined the impact of these capital inflows in Nigeria for the period 1986 to 2011. The study employed both granger causality and error correction modelling technique. The causality estimates showed no causal link between capital inflows and exchange rate within this period. The long-run regression estimates revealed that foreign direct investment had a negative effect on the exchange rate while portfolio investment had a positive impact on the exchange rate. The result of the short-run result was similar to the causality result indicating that neither foreign direct investment nor foreign investment had a significant impact on the exchange rate. The study concluded that the relationship

between capital inflows and the exchange rate in Nigeria is a long-run phenomenon.

3.0 Methodology

This study was conducted using the descriptive survey research method; the method is entirely appropriate for the study because it involves the statistical analysis of data collected from respondents. The sources of data were from primary and secondary sources. The primary source was observation and questionnaires distributed to the respondents during the survey exercise, while the secondary data included information from the textbook, seminar papers and the internet. The population of the study consist of some staff of the state university in the states in the South East and some businessmen in the metropolis who engages in international trade. The entire population of 1,344 were utilized in the course of the study; this is due to the smallness of the population. A research assistant helped in collecting the data. Data for the study were collected through the use of a questionnaire. Respondents got the tool personally, and a research assistant helped to collect it from them after the filling.

The questionnaire consisted of questions on the respondent's demographic variables, i.e. data on gender age, educational qualification etc., and questions about the subject under study.

Model Specification

The models were developed according to the hypotheses.

Validity of the Instrument

Validity is the most vital characteristics of a test. It is the extent to which a test measures what it is supposed to measure and consequently permits suitable interpretation of scores (Gray, Mills and Airasian, 2006). Validity according to Somekh and Cathy (2005) is the degree by which the sample of the test items represents the content the test is designed to measure. It involves the operationalization of concepts or constructs needed to carry out the translations. The validity was done using content analysis

Reliability of the Instrument

Reliability according to Walliman and Nicholas (2001), is the consistency of measurement frequently assessed using the test-retest reliability method. It is the extent of response reproducible over a number of times the instrument is tested, or the extent to which the responses obtained through each of the items on the instrument is internally consistent (Onodugo, Ugwonah, & Ebinne, 2010). It means the extent to which the instrument is capable of achieving consistent responses from the respondents. In this study, reliability of instrument was determined through the use of Pearson correlation coefficient (r).

4.0 DATAPRESENTATION AND TEST OF HYPOTHESES

The researcher used 1,336 copies of the questionnaire returned from the total copies of 1,344 distributed during the survey exercise.

Hypothesis One

S/N		5	4	3	2	1				
		SA	A	N	DA	SD	EFX	— X	SD	Decision
1	Differences in the valuation of exports and imports among countries have aided asymmetry in international flows	510 102	544 136	90 30	84 42	26 26	1254 336	3.73	1.932	
2	Currency conversion differences promote asymmetric behaviour of international flows	575 115	436 109	129 43	102 51	18 18	1260 336	3.175	1.460	
3	Differences in the classification of goods among countries promote asymmetry	585 117	52 131	69 23	52 26	39 39	1269 336	3.87	2.199	
4	The time lag between initiation and execution of a business between different countries promotes asymmetry in international flows	625 125	404 101	99 33	62 31	46 46	1236 336	3.68	1.483	
5	Trade difference system among nations leads to asymmetry in international flows	575 115	484 121	120 40	46 23	37 37	1262 336	3.76	1.757	
	Total							3.74	1.766	

Table 4.1.2

Descriptive analysis on sources as asymmetric behaviour of international flows in South East, Nigeria

N	Mean	Std Deviation	Minimum	Maximum
366	3.74	1.766	1	5

Table 4.1.3 Z – test on sources of asymmetric behaviour of international flows in South East, Nigeria

Asymmetric behaviour of international flows do not have identifiable sources in South East, Nigeria	
N	1,366
Normal parameters Mean	3.74
Standard Duration	1.766
Most extreme Absolute	.279
Most extreme Positive	.176
Differences Negative	.279
Kolmogorov	
Simirnon Z	5.257
Asymp Sig (2 tailed)	.000

A: test distribution is normal

B: calculated from data

Decision rule

If the calculated Z value is greater than the critical Z – value (ie $Z_{cal} - Z_{critical}$), reject the null hypothesis and accept the alternative accordingly.

Result

With Kolmogorov – Smirnon z – value of 5.527 and Asymp, the significance of 0.000, the responses from the respondents as displayed in the table is normally distributed. This affirms the assertion of most of the respondents that there are identifiable sources of asymmetric behaviour of international flows in South-East Nigeria.

Decision

Furthermore, comparing the calculated Z – a value of 5.257 against the critical Z – a value of 1.96 (2 – tailed test at 95% level of confidence) the null hypothesis was rejected and the alternative accepted, which means that asymmetric behaviour of international flows has identifiable sources in South East, Nigeria.

Hypothesis Two

Table 4.2 Effect of Asymmetric behaviour of international flows on emerging economics like South East, Nigeria

S/N		5	4	3	2	1				
		SA	A	N	DA	SD	EFX	X	SD	Decision
1	Asymmetric behaviour of international flows raises interest rate in South-East Nigeria	480 96	576 144	90 30	80 40	26 26	1252 336	3.73	1.909	
2	Asymmetric behaviour of international flows leads to inflationary pressure on the economy of South-East Nigeria	650 130	396 99	141 47	84 42	18 18	1289 336	3.84	1.684	

3	The financial sector experiences difficulty as a result of the asymmetric behaviour of international flows in South-East Nigeria	625 123	532 133	57 19	48 24	35 35	1297 336	3.86	2.579	
4	There has been a case of built-up foreign debt in Enugu metropolis, Enugu state because of asymmetric behaviour of international flows	665 133	338 97	81 27	78 39	40 40	1252 336	3.73	1.674	
5	Asymmetric behaviour of international flows has created a situation of saving instead of investments in South-East Nigeria	585 117	492 123	108 36	38 19	41 41	1264 336	3.76	1.915	
	Total							3.78	1.952	

Table 4.2.1 Descriptive statistics on effects of asymmetric behaviour of international flows on emerging economies like South East, Nigeria

N	Mean	Std Deviation	Minimum	Maximum
366	3.78	1.952		

Table 4.2.2 Z – test on sources on the effect of asymmetric behaviour of international flows on emerging economics like South East, Nigeria

Asymmetric behaviour of international flows does not have an emerging economy like Enugu metropolis Enugu state.		
N		366
Normal parameters	Means	3.78
	Standard Duration	1.952
Most extreme	Absolute	.266
Most extreme	Positive	.310
Differences	Negative	.310
Kolmogorov		
Simirnon Z		5.828
Asymp Sig (2 tailed)		.000

A: test distribution normal

B: calculated from data

Decision rule

If the calculated Z – value is greater than the critical Z – value (ie $Z_{cal} > Z_{critical}$) reject the null alternative and accept the alternative accordingly

Results

With Kolmogorov Smirnon Z – value of 5.823 and on Asymp significance of 0.000, the responses from the respondents as displayed in the table is normally distributed, this affirms the assertion that asymmetric behaviour of international flows has some effect on emerging economies like South-East Nigeria.

Decision

Furthermore, comparing the calculated Z – value of 5.828 against the critical value of 1.96 (2 tailed test at 95% level of confidence) the null hypothesis is rejected, thus the alternative is accepted which means that asymmetric behaviour of international has an adverse effect on emerging economies like South-East Nigeria.

Hypothesis Three

Table 4.3 Possible measure to lower asymmetric behaviour of international flows in South East, Nigeria

S/N		5	4	3	2	1				
		SA	A	N	DA	SD	EFX	X	SD	Decision
1	Financial inclusion will help lower asymmetric behaviour of international flows in South-East Nigeria	490 98	560 140	96 32	84 42	24 24	1254 336	3.73	1.997	
2	Stock market development is a good measure to lower asymmetric behaviour of international flow in South-East Nigeria.	660 132	338 97	153 51	80 40	16 16	1247 336	3.71	1.742	
3	Asymmetric behaviour of international flow will lower with the elimination of adverse selection in South-East Nigeria	9100 180	412 103	51 17	40 20	16 16	1419 336	4.22	4,273	

4	Investment among the people need to be encouraged to lower asymmetric behaviour of international flows in South-East Nigeria	740 148	416 104	51 17	72 36	31 31	1310 336	3.81	2.598	
5	Lowering of interest rate will help lower asymmetric behaviour of international flows in South-East Nigeria	600 120	544 136	81 27	30 15	38 38	1293 336	3.85	2.543	
	Total							3.85	2.564	

4.3.1 Descriptive statistics on possible measures to lower asymmetric behaviour of international flows in South East, Nigeria

N	Mean	Std Deviation	Minimum	Maximum
366	3.85	2.564	1	5

Table 4.3.3 Z – test on possible measure to lower asymmetric behaviour of international flows in South East, Nigeria

Possible measures to lower Asymmetric international flows in Enugu not exist		behaviour of metropolis Enugu state do
N		366
Normal parameters	Means	3.85
	Standard Duration	2.564
Most extreme	Absolute	.281
Most extreme	Positive	.178
Differences	Negative	.281
Kolmogorov		
Simirnon 2		5.257
Asymp Sig (2 - tailed)		.000

A: test distribution normal

B: calculated from data

Decision rule

If the calculated Z – value is greater than the critical Z – value (i.e. $Z_{cal} > Z_{critical}$) reject the null hypothesis and accept the alternative accordingly.

Results

With Kolmogorov Smirnov Z – value of 5.257 and on Asymp significance of 0.000, the responses from the respondents as displayed in table is normally distributed; this affirms the assertion that there are possible measures to lower asymmetric behaviour international flows in South-East Nigeria.

Decision

Furthermore, comparing the calculated Z – value of 5.25 against the critical Z – value of 1.96 (2 tailed test at 95% level of confidence) the null hypotheses were rejected and the alternative accepted which means that there are possible measures to lower asymmetric behaviour of international flows in South-East Nigeria.

A: test distribution normal

B: calculated from data

Decision rule

If the calculated Z – value is greater than the critical Z – value (i.e. $Z_{cal} > Z_{critical}$) reject the null hypothesis and accept the alternative accordingly.

Results

With Kolmogorov Smirnov Z – value of 5.257 and on Asymp significance of 0.000, the responses from the respondents as displayed in table is normally distributed; this affirms the assertion that there are possible measures to lower asymmetric behaviour international flows in South-East Nigeria.

Decision

Furthermore, comparing the calculated Z – value of 5.25 against the critical Z – value of 1.96 (2 tailed test at 95% level of confidence) the null hypotheses were rejected and the alternative accepted which means that there are possible measures to lower asymmetric behaviour of international flows in South-East Nigeria.

Discussion of Findings

From the result of hypotheses one, the calculated value of Z value of 5.257 is against the critical Z – value of 1.96 (2 - tailed test at 95% level of confidence) the null hypothesis were rejected, thus the

alternative accepted, which means that there are identifiable sources asymmetric behaviour of international flows in South-East Nigeria.

From hypothesis two, the calculated Z – value of 5.828 is against the critical Z value of 1.96 (2 tailed test at 95% level of confidence) the null hypothesis is rejected, and the alternative accepted, which means that asymmetric behaviour of international flows have adverse effect on emerging economies like South-East Nigeria.

From hypothesis three, calculated Z – value of 5.257 as against the critical Z – value of 1.96 (2 tailed test at 95% level of confidence) the null hypothesis were rejected and the alternative accepted, which means that there are possible measures to lower asymmetric behaviour of international flows in South-East Nigeria.

5.1 Summary of Findings, Conclusion and Recommendations

The conclusion of this study on asymmetric behaviour of international flows South East, Nigeria reveals so much. The study established the fact that there are sources of asymmetric behaviour of international flows in South East Nigeria. The study further revealed that asymmetric behaviour of international flows produce adverse effects on emerging economy like South East, Nigeria and finally, the study observed that there are possible measures to lower asymmetric behaviour of international flows in South East, Nigeria.

5.2 Conclusion/Recommendation

International flow is very necessary for emerging markets, in helps them to build on the present station of their economy to something better in the future, the developed economies needs it too, to maintain the stability they need on their very viable economy. Asymmetry comes with its numerous challenges, especially for the emerging economics, they most times are at the mercy of the developed economies; their economy will retard and go down too. This study has revealed a lot about asymmetric behaviour of international flows, the researchers hope that different economies consider the discovering and recommendations of this study as to reduce the adverse effect of asymmetric behaviour of international flows. Based on the findings of this study, the researcher recommends that; low interest rate needs to be encouraged in Nigeria financial sector, business will have access to funds easily for exports, so that we don't import only, putting us at the mercy of developed economies, government can initiate policies on this. Business and individuals in the Nigeria society needs to consider investment, rather than savings, investment leads to creation of goods and services, which at a point can be exported to increase international flows into our economy. Trade system among nations needs to be harmonised, so that asymmetric do not occur due to the differences that the situation produces

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INFLUENCE OF MOTIVATIONAL FACTORS ON JOB SATISFACTION: AN EMPIRICAL STUDY OF NIGERIAN UNIVERSITY LECTURERS

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ABSTRACT

Motivational factors play a pivotal role in enhancing the job satisfaction of employee. Employee satisfaction, in turn, can aid in the improvement of organizational performance. This study investigates the effect of motivational factors on job satisfaction amongst Nigerian university lecturers. The study aims to examine the correlation between salary, stress, relationship with colleagues, and recognition at work and job satisfaction. Several theories were used to develop the conceptual framework. Using Questionnaires, primary data was collected from 350 respondents using Stratified Random Sampling. To analyse the collected data, Partial Least Structural Equation Modelling (PLS-SEM) using SmartPLS v 3 was the statistical tool used for testing the correlations, although SPSS v 25 was also used for the demographic profile of the respondents. The findings of this study shows that there is a correlation between salary, relationship with colleagues and recognition at work and job satisfaction. However, stress has no correlation with job satisfaction. Based on these findings the researchers recommend to the university management the key determinants they should focus on to improve the job satisfaction amongst their lecturers. Limitations, future study opportunities, practical and theoretical contribution were also discussed. **Keywords:** Motivation, Job Satisfaction, Nigerian University Lecturers

INTRODUCTION

The competitive environment today requires manpower driven, motivated and committed in order to conclude business goals, so the interest level of morale spirit of personnel in organizations, whether governmental or private achieves an integration between individuals and organization through achievement of goals of both parties through development of incentives system of incentives has a positive effect in individual behaviour and push towards increasing production and motivate him to be creative (Werner, Tosi, & Gomez-Mejia, 2005). Due to incentives importance and their role in achieving organizations objectives, this research is based on effects of motivation factors on employees' performance and job satisfaction in Nigerian public sector- a study of Nigerian university lecturers.

Job motivation and satisfaction signify extremely important aspects, both for psychologists and educationalists, who endeavour to clarify the intentions which support them, but also for the general population concerned in the management of any type of organisation: economic, financial, social. Motivations are those factors that give extra energy and are the main drivers in jobs. Motivation

keeps the workers focused on their job and makes them work seriously and happily. One of the reasons employees are successful in their jobs is because of the high motivational factors in the organizations. The perception of motivation is used to explain the difference between employees with the same talent, opportunities and abilities to do their jobs in similar organizations and under same employment situations but produce different performances.

Employees are viewed as the most important part of each association or institution without whom any production procedure may happen. The accomplishments of an institution for the most part depend on the general nature of its employees which is surely measured by means of their performance (Chubb, Reilly & Brown, 2011). These employees perform their jobs in such a manner that the jobs are required to be done with relatively more efforts, so they can try more to play the role for which they are asked (Karpagavalli & Ramprasand 2013). Improved productivity is driven by positively motivated employees by the organisation (Oosthuizen, 2001). The significance of work in human life is undeniable. Satisfaction at work of the working-age individual is one of the most vital tasks in terms of its motivation, performance, and work effectiveness, not least in terms of psychological health (Potkany, 2008; Potkany, & Giertl, 2013)

Motivation present in workplace is two types: intrinsic and extrinsic (Adam & Epel, 2007). Employees have both intrinsic and extrinsic needs (Mustafa & Bon, 2012; Nadin & Williams, 2012). An employee, who is intrinsically motivated, undertakes tasks satisfaction, for the feeling of accomplishment and self-actualization. On the other hand, an extrinsically motivated employee may perform activity duty in order to obtain a reward such as salary. Nevertheless both factors influence employee' behaviour (Din 2008; Mustafa & Bon, 2012). The aim of the organizations such as universities should be built on both intrinsic and extrinsic motivation for its lecturers to perform effectively and improve the organization.

This study will contribute in understanding the impacts of motivational factors on job satisfaction in Universities by developing a framework based on extant theories in a developing economy.

The article is organized as follows: following the introduction, there is the problem statement, literature review, which is followed by the materials and methods, results, discussion of findings, implications, and ideas for future studies. The article ends with a conclusion and reference

Satisfied and well-motivated employees convey outstanding service to the organization with excellent result to back it up. According to Ifinedo (2003), Rosenfeld and Wilson (1999) as quoted by Ololube, (2007), a particular meaning of motivation is elusive as the concept comprises the personality of a person and a position as well as the view of that circumstance by the individual. Less pay can also create a place where in which lecturers are frustrated and annoyed by the least of faults by students (Crumpton, 2013). Working environment affects the development of lecturers. Employees need to be motivated to boost productivity.

Additionally, according to Locke & Latham, (1990), satisfaction of job cannot be seen but it can be conditional. It is an emotion to a job state. Adio and Popoola (2010) said that the lecturers in federal universities are not educated in the new theory and practice of job satisfaction to be extremely dedicated to their career because they need training in their chosen career and their state of service be improved upon, they should be well rewarded and recognised in order to have love for their career. Hassan, Baharom and Abdulmutalib (2017) said that there should be an eco-system approach in the Nigerian universities. The eco-system approach is suggested because job progression is influenced by a scheme framework. The concepts of the mental bond and person-organisation fit also have to be

investigated alongside and in combination with motivational drivers. Additional development may also include a conversation of the view of work ethic, and in particular how value ethic is portrayed and relayed in the public (Johnston, 2016).

Conversely, Bello et al (2017) stated that there are limited and dilapidated infrastructures in the universities which cannot motivate the lecturers. The researchers also stated that university lecturers are not commended for their job which kills their zeal to teach well.

Too much stress causes mental and physical health problem (Ubangari and Bako 2014). Every individual experience stress in different ways but too much of it is bad. The Nigerian university lecturers face too much stress due to work overload. The Nigerian university lecturers once embarked on strike because of their unpaid overload allowance.

On the other hand, there is an uninteresting way of delivering the lectures among Nigerian university lecturers and very poor method of evaluating the students (Onoyase, 2017). Muhammad and Dauda (2012) said that job performance of lecturers is not only based on their qualification but also of motivation. There is poor preparation of lecture notes and poorly equipped rooms for lectures. Lecturers' promotions in Nigerian universities are mostly based on Godfatherism not based on merit. Victor & Babatunde (2014) stressed that in Nigerian universities, most lecturers are sad, uninspired and not motivated.

1.4 RESEARCH OBJECTIVE

The main objective of this research is to analyze the effect and impact of motivation (intrinsic and extrinsic) on job satisfaction amongst Nigerian university lecturers. The specific objectives are as thus:

- To analyse the correlation between relationship with colleagues and job satisfaction in Nigerian universities.
- To assess the correlation between salary and job satisfaction among Nigerian university lecturers.
- To check whether there is a relationship between recognition at work and job satisfaction among Nigerian university lecturers.
- To check whether there is a relationship between stress and job satisfaction among Nigerian university lecturers.

LITERATURE REVIEW

2.1 CONCEPTUAL CLARIFICATION

Several extant studies investigating job satisfaction have used working environment, pay and promotion, job security, level of fairness, relationship with co-workers and relationship with supervisor on the job satisfaction of the employees. . In this study, the researchers aims to use relationship with colleagues, salary, recognition at work and stress to examine their impact on job satisfaction.

2.2 MOTIVATION IN NIGERIAN UNIVERSITY LECTURERS

The advancement of any nation is generally reliant on the rate of interest in education. Not simply education, but rather foundation of higher knowledge, that is tertiary education. The accomplishment of tertiary education is reliant on the suppliers of knowledge.

Abejirinde (2009) examined the bond between performance and motivation in Nigerian universities and that there is a relationship between promotion and employee performance. A survey of experimental studies on lecturer motivation in developing nations, Nigeria included, demonstrates far reaching low or diminishing levels of inspiration, bringing about lower nature of education and academic execution. Bennell and Akyeampong (2007) said that many lecturers in sub Saharan Africa and south Asia are poorly motivated. However, it is additionally basic to realize that school physical offices and research improvement are persuading factors in accomplishing academic performance. It is also vital to provide accommodated facilities for the lecturers so that their zeal of teaching will rise high. Adesola (2005) carried out a study and found out that if resources are available, it is indeed an advantage for the lecturers which make them committed in delivering lessons effectively.

Akinfolarin (2013) said that the Nigerian education industry have been ignored through absence of sufficient funding at all levels, low instructors wages and pay rates, absence of legitimate supervision of human and material assets, low research offices crosswise over different levels of education. Fundamental conveniences, for example, water and power are likewise critical for teachers' job fulfilment and motivation.

According to Aluko (2002), he revealed that a study was conducted and that 48 percent of lecturers' time is spent on administration and only 29 percent on teaching. Another factor is the disintegration of compensations and buying power that prompts numerous employees to give insignificant time to university work and look for at least one pay producing exercises to supplement their pay rates.

2.3 UNDERPINNING THEORIES

The vroom's expectancy theory which has three key elements was used in this research. Also, Maslow's theory which posits that people are inspired to please their needs according to their ranked level of importance was also used (Brooks, 2006). The needs in this study are the motivational factors that leads to job satisfaction. The valence (reward) was used in this research. Furthermore, Herzberg's two factor theory was also used.

JOB SATISFACTION

Satisfaction is a condition of fulfilment. Workers Job fulfilment is a basic aspect of employees' work life. Job fulfilment does not just create execution of the staff; it additionally impacts other area of their lives. It is the accumulation of emotions that an individual handles toward their jobs (Robins, 2005). Employee welfare is the benefits given to them by their employers with the zeal of enriching their lives and to keep the employees happy (Mishra and Manju, 2007).

University education is very important to the society at large and in gaining knowledge of the economy (Anho, 2011). Hence, the carriers of the knowledge and providers of the knowledge should be happy with their works. This is because the nation won't be successful without students and the students won't be the most successful without the lecturers, it has effect on both students and lecturers. Workers bear positive view for his work obligations in view of his level of job fulfilment. When there is job dissatisfaction among workers, their execution will be reduced and they will not be

competent to add to educational area. There is a negative impact on the job when the employee has more skills to perform on the work. There is an increase in expectations when an employee has a vast knowledge level and there will be low satisfaction because the employee feels he/she isn't worth the work or feel over qualified (Elsy et al, 2009). Moreover, Bradley et al., (2003) said that there is little impact pay does on job fulfilment unless combined with work autonomy. Different researches showed that university lecturers get their satisfaction from increasing personal and warm relationship with students (Amatz and Idris, 2011) while job dissatisfaction is related to low recognition, poor pay and work overload. De Lourdes Machado et al., (2011) connected job fulfilment with work conduct, which is identified with worker's attitude. They likewise contended that workers work fulfilment influences their wellbeing and prosperity.

2.3 CONCEPTUAL DEVELOPMENT

Having thoroughly gone through past literature with sound and theoretical backing, therefore their research provides justifications for the development of the proposed conceptual framework. In this section, the visual relationship between the dependent variable and independent variables is to be shown.

Correlation between relationship with colleagues and job satisfaction

Job satisfaction is increased when an employee has supportive and friendly colleagues (Spector, 1997). Job satisfaction is said to be influenced by the group an individual belongs to or the culture in which they are exposed to. Good relationship with colleagues can be of influence to employees in work related activities such as job performance, job satisfaction and less absenteeism (Riodan et al, 1997). Dotan (2007) added that when workers have a good relationship with their colleagues, they can help them and give them advice, as a result of that, workers feel comfortable, security and gain job satisfaction. Crossman and Abou-Zaki (2013) said that when relationship with colleagues is normal, employees are said to be satisfied. It is a strong forecaster for job satisfaction. Good relationship with colleagues helps employees and they feel supported and trusted. It creates a suitable environment for them which they work together and feel satisfied.

Ducharme and Martin (2000) carried out a vast scale research on the issues identifying with work fulfilment issues focused on the employees of international service organizations. The research found that the components of work group cooperation and collaborators' help have critical positive relationship to work fulfilment. Along these lines, this research derives that, in the service industry, colleagues' relationship can be subdivided into two measurements pioneer part relationship and associates' connections. Fiedler et al., (1977) feel that associates' relationship is the kinship, acknowledgment, and dependability developed between the individuals from a group, which likewise alludes to the level of the subordinates' certainty, trust, and regard in their pioneers (Fresko & Chen, 1989).

Based on the discussion above, the researchers hypothesize that:

H1: There is a significant correlation between relationship with colleagues and job satisfaction.

Correlation between salary and job satisfaction

Pay or salary plays a huge role in job fulfilment. Many scholars found that there is a relationship between job satisfaction and pay. They work hand in hand, when pay is increased, job satisfaction is also increased. Many researchers found out employees with part time jobs are not satisfied compared

to employees with full time or permanent jobs. Ali & Akram (2012) said that organizations must give workers competitive salary, good working condition and security in order for them to keep hold of their competitive workers. He added that salary is most important because workers use the money to look after their families.

Muhammad Rafiq (2012) said that if organization wants growth and high performance, incentives or rewards must be given to the workers. Tan & Waheed (2011) found out a relationship between job satisfaction and money and those employees that love money will get more satisfied with their work when they get a pay increase. Adeyemo, Oyebamiji & Alimi (2013) found that job fulfilment measures together and autonomously anticipate work performance as pay, the nature of the manager subordinate relationship; employees' chances for advancement essentially influence the job fulfilment and execution of workers. Spector (2008) said that research has shown that workers who earn more money do not really mean that they are satisfied with their work.

Ghenghesh (2013) in his research that was carried out at the British university of Egypt said that there is a relationship between pay/salary and dissatisfaction. He found that lecturers need university policy; administration and less work load not just pay. Funmilola, Sola & Olusola (2013) discovered that dimensions of job satisfaction jointly and independently forecast job performance such as pay, promotion opportunities and performance of employees in general. Vierra and Serrano (2005) observed how low and high paid employees at the European Union affect their job satisfaction. The result showed that highly paid employees are more satisfied compared to low paid workers.

H2: There is positive correlation between salary and job satisfaction as seen in the literatures above.

Correlation between recognition at work and job satisfaction

Attractive pay and benefits is not the only thing that workers want; their efforts being valued and appreciated are also expected. Deeprose (1994) argued that effective recognition enhances productivity and motivation of workers which leads to improved performance. There is a respect for workers when they are recognised. Recognition can be in form of cash or non-cash, formal or informal and individual or group (Long and Shields, 2010). Workers are probably going to be persuaded to enhance their execution with nonmonetary rewards, for example, employee acknowledgment. Acknowledgment is the affirmation, thankfulness, or approval of the positive achievements or practices of a person or then again group (Caliguiri et al., 2010; Nelson, 2005). According to Gostick and Elton (2007), acknowledgment alludes to applaud or an individual note recognizing accomplishments including little motions that are vital to workers.

Lecturers are judged for their expert capability. In the teaching job, the position of educators offers them acknowledgment for their abilities and achievements (Sargent & Hannum, 2005). All workers value being applauded and acknowledged for their work and being given credit particularly by managers and associates whom they regard. Similarly, most people feel awful when they are not given acknowledgment for achieving their work. Locke & Latham, (2002), discovered recognition as the most frequently specified occasion which motivates positive endeavours from employees. Another critical capacity of acknowledgment for work is that it gives feedback concerning the skill of one employment performance. In this manner praise demonstrates that one has done one's job effectively and as per the guidelines of the supervisor. The want for recognition is ordinarily credited to the want or requirement for confidence or a positive self-idea according to Maslow's (1959) hierarchy of needs.

Spector (2008) said feel of equality is an important determinant of individuals' reaction and behaviour at work. According to Martins and Coetzee (2007), workers objectives and needs are affected by organizational culture and employee motivation which are integrated with the objectives and needs of the organization. Personal growth is provided by promotion opportunities, better social status and additional responsibilities (Robbins, 1993). When promotional opportunities are fair, satisfaction of job is said to be experienced by individuals (Spector, 1997; Robbins, 1993). If workers feel their efforts are not identified, not rewarded the way they should be or tailored to their need, this may result to employee dissatisfaction (Robbins, 1993).

Spector (2008) added that if employees are rewarded, it motivates and gives them satisfaction at work. Rewards systems consist of both incentive and precognitive programs. Recognition is a non-financial way of saying a job well done and showing appreciation and give employees encouragement and satisfaction. Lanchance (2002) noticed that rewards that predicament an employee to an organization have more to do with the way worker is dealt with that a specific pay conspire she recommends that while individuals may come to work for the compensation they remain at work for some different reasons managers need to recognize a deal with those other remunerating conditions a general key to rewards.

H3: There is a positive relationship between recognition at work and job satisfaction.

Correlation between stress and job satisfaction

Satisfaction at job and work stress is experienced personally, but is seen to have effects on the organization. Feeling of satisfaction is a multifaceted marvel and can be influenced by numerous individual, social and logical elements. In reality, the feeling of fulfilment communicated by teaching experts can impact their own and social practices and thus their performance. It is usually realized that work related stress among instructors is a compelling element in work related duty and occupation fulfilment.

Jun et al. (2006) examined that university lecturers tend to find themselves in a job that is stressful. Temper and personality also contribute to increasing stress and burnout of lecturers as observed by Jose Miguel Tricas Moreno (2010). Azman Ismail (2009) found out stress physically has a correlation with job satisfaction but stress physiologically has no relationship with work satisfaction. The researchers added that work stress predict the level of work satisfaction. K. Chandraiah S.C. Agrawal (2003) conducted a research between stress age and job satisfaction which resulted to young people get more stressed and less satisfied at work compared to older employees at the age of 36-55 years. Javeed (2012) said that work load, pressure from supervisors and employers, no recognition and poor conditions for work bring job stress. Furthermore, Javeed added that job stress due to these factors, their performance will be low which makes them non-productive.

H4: There is a significant correlation between stress and job satisfaction.

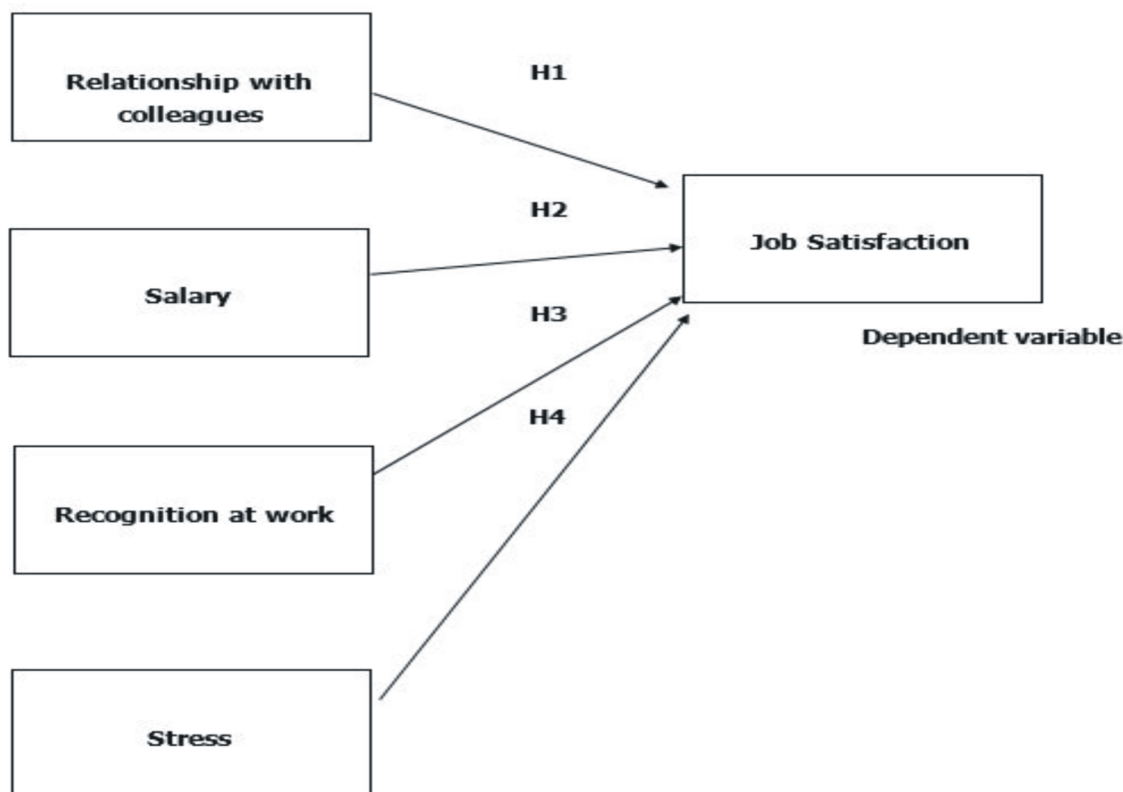


Figure 1 Research Framework

MATERIAL AND METHODS

The research is quantitative in nature. In this research, the population are staff of the Nigerian universities located in the northwest states of Kano and Nigeria. Lecturers were drawn from Northwest University, Kano; Bayero University, Kano; Kano University of Science and Technology, Kano; Federal University, Jigawa. Due to financial and time constraints, non-probability purposeful sampling technique was used. , the sample size was determined Using G-Power software and a total of 250 questionnaires was self-administered. . A pilot study was conducted to test the reliability of the data. Furthermore, a content validity which provide evidence that an instrument is measuring what it purports to measure by examining the degree to which the elements of the instrument are relative to and representative of the targeted construct was carried out. All question (using 5-point likert scale) were adapted from extant studies for instance . For statistical analysis both Statistical Package for Social Sciences (SPSS) and SmartPLS software. The choice for using these software was borne out of the growing usage by recent studies, for instance . In conclusion, Common method bias issue was addressed.

DATA ANALYSIS AND RESULTS DATA COLLECTION AND RESPONSE

The distribution and collection of the questionnaires by the researchers took about a month. As stated above (Material and Methods), time and financia constraints couldn't allow the researchers to cover all the universities located in the northwest such as Usman Danfodio University Sokoto, Sule

Lamido University, Kafin Hausa, Federal University Dutsinma e.t.c. The researchers were only able to cover four (4), namely; Bayero University, Kano (BUK), Northwest University, Kano, Kano University of Science and Technology (KUST) and Federal University Dutsinma, Jigawa. Among two hundred and fifty (250) questionnaires distributed, only two hundred and three (203) representing 81% were returned. Among the two hundred and three (203) collected, one hundred and ninety nine (199) were valid and usable.

DEMOGRAPHIC PROFILE OF RESPONDENTS

In the demographic profile of the respondents, the analyst began by propelling the spare '.sav' record utilising IBM SPSS v23 software bundle program for extensive unmistakable analysis. The breakdown of the descriptive statistics of the respondent's demographic profile appeared in the table beneath. The analysis discussed the part '1' of the survey questionnaire, which addresses the respondents' Gender, Age, Education Level, Academic rank and number of years served. The subsequent part will offer an in-depth analysis of the fascinating statistical findings for the demographic profiles of the participants.

Overview of frequency and percentage of respondents based on Gender, Age, Education Level, Academic rank and Number of Years Served categories.

Table 1 Gender of respondents

Variable	Item	Frequency	Percentage
Gender	Female	88	44.2
	Male	111	55.8
Age	21-25	37	18.6
	26-30	34	17.1
	31-35	48	24.1
	36-40	43	21.6
	41-45	22	11.1
	Above 50	15	7.5
Qualification	Bachelor Degree	41	20.6
	Master's Degree	69	34.7
	PhD	89	44.7
No. of years Served	0-5 Years	68	34.2
	11-15 Years	25	12.6
	15 Years and above	60	30.2
	6-10 Years	46	23.1

4.7 INTERNAL CONSISTENCY RELIABILITY

According to Hair et al., (2014), internal consistency reliability is the first criterion to be calculated. Cronbach's alpha is the conservative criteria for internal consistency, which gives an approximate of the reliability grounded by the inter-correlations of the observed indicator variable. The assumptions of the Cronbach's alpha is that all the items are reliable equally (i.e., all the items have the same outer loading on the construct). Yet, PLS-SEM organises the items as per their individual reliability.

The composite reliability fluctuates between 0 and 1, with greater values signifying greater levels of reliability. It is interpreted generally in the same method as Cronbach's alpha. In particular,

composite reliability estimations of 0.60 to 0.70 are satisfactory in exploratory research, while in further developed phases of research, values between 0.70 and 0.90 can be viewed as satisfactory (Nunally & Bernstein, 1994). Values greater than 0.90 (and definitely > 0.95) are not alluring because of the fact that they demonstrate that all the indicator variables are estimating a similar phenomenon and therefore are not going to be a valid measure of the construct.

Interestingly, all factors and additionally indicators in this research surpass the minimum value suitable to set up the presence of reliability. Moreover, the composite dependability of the constructs this research has accomplished the base edge of (0.70) or above. The table underneath shows the result of both the Cronbach's Alpha and the Composite reliability of the re-specified model of the research. By running PLS Algorithm task in Smart PLS software, the outcomes were gotten.

Table 2 Results of internal consistency reliability of re-specified model

Constructs	Composite reliability	Average Variance Extracted (AVE)
Satisfaction	0.826	0.613
Recognition	0.798	0.569
Relationship with colleagues	0.808	0.513
Salary	0.821	0.537
Stress	0.748	0.598

In this this research, all factor loadings demonstrate the presence of convergent validity because of the outcomes of the loadings appearing above (0.5). Likewise, all constructs recorded composite reliability of (0.70) or more. Lastly, the AVE for all constructs was surveyed to find out the presence of convergent validity. Similarly, for collinearity, all values were less than 5. This shows that the model has no collinearity issues as recommended by (Hair et al., 2014)

Table 3 Summary of path coefficient, bootstrapping and P values result

Relationships	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Recognition -> Satisfaction	0.285	0.279	0.071	4.022	0.000
Relationship -> Satisfaction	0.184	0.201	0.082	2.250	0.025
Salary -> Satisfaction	0.282	0.277	0.071	3.981	0.000
Stress -> Satisfaction	-0.038	-0.020	0.062	0.622	0.534

EVALUATING COEFFICIENT OF DETERMINATION (R^2 VALUE)

Hair et al., (2014) said that the coefficient of determination (R^2 value) is the most oftentimes utilised technique to assess the structural model. The R^2 obtained was 0.315. Thus, these three constructs explained 31.5% of the variance of satisfaction.

EVALUATING THE EFFECT SIZE F^2

Subsequent to assessing the R^2 estimations of the endogenous constructs, the adjustment in the R^2 value when a predefined exogenous construct is excluded from the model can be utilised to assess whether the precluded construct substantively affects the endogenous construct. This measure is alluded to as the f^2 effect size (Hair et al., 2014). F^2 size effect in regards to exogenous construct changes from (0.35) for "huge" effect, (0.15) is utilised to specify "medium" size impact and lastly, (0.02) is utilised to designate "little" impact (Hair et al. 2014). Besides, the f^2 "demonstrates how much an exogenous latent variable adds to an endogenous latent variable's R^2 (Wong 2013 p.26).

DISCUSSION

In the parts to follow, the researchers elaborate each finding as previously hypothesised. The first objective of this study is to analyse the correlation between relationship with colleagues and job satisfaction. Here, the statistical result showed that the research hypothesis was supported. The findings is reliable due to the fact that Ducharme and Martin (2000), Crossman and Abou-Zaki (2013) said that there is a positive correlation between relationship with colleagues and job satisfaction. The outcome shows that employees that have a good relationship with their colleagues at work tend to be satisfied with the job. Based on the above mentioned, the researchers have established that there is a correlation between relationship with colleagues and job satisfaction among Nigerian university lecturers.

The second objective of this study which is to assess the correlation between salary and job satisfaction. The result for this hypothesis showed that it was supported. The finding is consistent with several studies such as Vierra and Serrano (2005), Oyebamiji Florence Funmilola (2013), Waheed and Tan (2011) and Akram (2012). The result further showed that employees who are paid good salaries and get paid on time are satisfied with the job. Therefore, the researchers have found out that there is a correlation between salary and job satisfaction

The research objective three, which is to check whether there is a relationship between recognition at work and job satisfaction which the researchers found out to be supported. The finding is same with that of Deeptose (1994), Caliguiri et al., 2010; Nelson, 2005, Locke & Latham, (2002), Spector (2008) and Lanchance (2002). Based on their findings, managers should be giving bonuses and incentives or giving their workers gifts because it is proven that it motivates employees. Recognition at work is the most effective way to inspire employees. Any type of recognition has been the best way to reinforce some employees at work. Any individual who is recognised for an occupation well done improves over some other workers essentially in light of the fact that his pride is lifted up. The result shows that employees who are recognised at work tend to be more satisfied. The researchers found out that the third research question has been answered, there is a correlation between recognition at work and job satisfaction.

The fourth and final research objective to check whether there is a relationship between stress and job satisfaction. Statistically, the result showed that this hypothesis was not supported. It is a no surprise as it was stated by Azman (2009). Some other researchers such as Javeed (2012) and Anum (2013).

However in North-western part of Nigerian Universities, the result of this study showed that stress doesn't play a key role in job satisfaction. Due to the discussion above, the fourth and final research question of the study has been answered which the researchers have established that there is no correlation between stress and job satisfaction.

CONTRIBUTION

This study has contributed in different ways across the theoretical and managerial level. The contribution of the research is within the impact of motivational factors on job satisfaction in Nigerian public sector: a study of Nigerian university lecturers. As expressed earlier, the framework of the research was based on theories ranging from vrooms expectancy theory, Maslow's hierarchy of needs, goal setting theory and Herzberg's two factor theory. The above mentioned theories are used in some other fields of study in different countries, they were not used in educational sector in Nigerian Universities especially when talking about motivation. The framework of this study was based from theories to fill the knowledge gap. This research has added additional information to the human resource management field and has add to the already existing studies. The contributions of this research has been set into two categories; practical and theoretical.

PRACTICAL CONTRIBUTION

The discoveries and conclusion of this research offers numerous looming suggestions for education industry practitioners which contain Education Ministry, Decision creators of colleges, Private University proprietors, academic staff of universities and also researchers in the field of management. As workers are the foundation of each association, this research fills in as an instrument for the administrators to recognize what they social point of view or their worker and what drives them to give their most extreme satisfaction. The findings also recommend ought to give a foundation for managers and policy producers to perceive that it is the duty of government to start measures that will influence the working environment to encounter a more wonderful one for workers.

Among the findings, salary was accepted strongly. The university administrators should continue to motivate their employees with proper salaries, on time and salaries that will cater for their need so as for them to be satisfied with the work they do. Recognition at work was accepted as it was shown in the findings of this research. Consequently, the university administrators should continue to motivate their staff. Therefore, the administrators should focus on motivating the employees through offering rewards and incentives. Additionally, they should also motivate the employees through fulfilling their needs. The results of this research shows that employees who have a good relationship with their colleagues tend to be more satisfied than those employees who do not have friends at work or who do not get along with their team members or co-worker.

LIMITATIONS

A few restrictions should be perceived in this research as the greater part of field surveys experience the ill effects of limitations. The first is that the members in this research were not representatives of every single Nigerian University workers. The whole sample was drawn from the government university in Nigeria. This implies the outcomes will not be transferable to workers in private sector. Because of the way this was a research completed in the government sector, it concentrated on a workforce that included Nigerian nationals. This choice was deliberate because there are lack of international employees in government owned universities in Nigeria. Although this study contributes to new knowledge, the findings of this research can't be generalised in other countries. It is important to know the cultural differences which help form individuals attitudes: differences between countries in implementing, the varied economic and political contexts of any country will

shape the nature of the workplace. Additional limitation of the research is the research area. Because of time and monetary imperatives, the determination of respondents was just done in some of the north-western part of Nigeria Universities. Moreover, the research was done in voluntary settings; the discoveries may not in this way be generalised to the required settings. Hence, the outcome and suggestions found in this research may maybe not have the capacity to be generalised up to different parts of Nigeria.

SUGGESTION FOR FUTURE STUDY

For future researchers, there is a need to carry out a research on impacts of motivational factors on the students and their satisfaction of lecturers teaching ways. There is also need for a research on the managers' roles that lead to satisfaction of their employees at work. Aspects such as employee empowerment should be look into and how it makes them satisfied with their work so they can be promoted to the next level. This research was a cross-sectional research. There is a need for longitudinal study to see changes of the effect of motivation factors on employees' job performance over a period of time. Another area of future research in the human resource management field is the focus on practical ways of establishing human resource practices that help employee retention.

CONCLUSION

To sum up, the research established a conceptual framework for understanding the impacts of motivational factors on job satisfaction among university lecturers. The new model has added to the assortment of knowledge since it is the main itemised look into ponder towards comprehension of determinants motivational factors among Nigerian university lecturers. The framework developed was from conceptual perspective, and therefore presents opportunities for further researches. Practical and theoretical contributions of the study were also discussed.

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OIL PRICE ASYMMETRY, TRADE OPENNESS AND ECONOMIC GROWTH IN NIGERIA

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The study investigates the Oil Price Stock Asymmetry, Trade Openness and Economic Growth in Nigeria. More importantly, it examined those factors affecting oil price asymmetry, in turn, the level of trade openness. The contemporary need of the study, no doubt, is hinged on first, the monocultural nature and high dependency level of Nigeria state on oil revenue for budget implementations, particularly, this time the international oil market experiences a lot of policy turbulence. Therefore, an increase or decrease in crude oil price can both be pain and/or gain to the Nigerian economy simultaneously; this is because, besides Nigeria being both net importer of the finished product and exporter of the crude, a sizeable strong link between the country's budgetary operations and the happenings in the international oil market exists. Consequently, the study employed a trio of analytical procedures: first, the combined World Bank atlas method and Pesaran (2009) methodology to finding the asymmetry (volatility) values oil prices within the relevant period, secondly, the use of multiple linear regression analysis with the aid of Ordinary Least Squares (OLS) procedure that produces the least variance and consistent estimators. Lastly, tests of correlation coefficient and causality were employed to examine the degree of association of the oil price asymmetry, trade openness and economic growth in Nigeria including their causal relationships. Both the Augmented Dickey Fuller and Philip Perron unit root tests revealed that all the variables considered in the study were non-stationary at levels, but achieved stationarity after first difference. Furthermore, they were found to have long run relationships, justifying the need for vector error correction model (VECM). Both the short run and long run coefficients deduced from the VECM (cointegrating equation) showed that oil price shock (asymmetry) significantly impacts economic growth (including trade openness, etc.) The estimated coefficients show that all the regressors conformed to the a priori specification and theoretical expectations including being individually statistically significant at the conventional 1% or 5% levels. Consequently, an increase in trade openness and exchange rate will lead to increase in the growth of the Nigeria economy. However, increase in the oil price volatility leads to decrease in the level of growth of GDP in Nigeria. This means that oil price fluctuations isn't currently doing Nigeria economy any good, even as it is potent (plays active role) in economic activities in Nigeria. Therefore, the study recommends among others; for Government evolve deliberate policy of in-built mechanism that would reduce importation of oil and promote openness in trade by encouraging non-oil product exportation. There should as well be high level of deliberate development of capital formation by the government to assuage the loss of capital in both human and materials resources.

Keywords: Oil Price, Trade Openness, Economic Growth

Introduction

Historically oil price shocks are not a new phenomenon, it has been reoccurring since 1970s. The first oil price shock of 1972-73 was due to Yom Kippur war and the Arab oil embargo; the next was in 1979-1980 resulting from the Iranian Revolution, then the oil price shocks of 1986 as a result of the collapse of OPEC cartel. It further occurred in 1990 due to Iraqi invasion of Kuwait, others occurred in 2003 and 2008 following the second Iraq war (Hidhiir et al, 2007 and 2011), then the oil price shock of 2008-2009, due to the global Economic Meltdown. It has been shown in the literatures that crude oil prices ranged between US\$18 and US\$23 in the 1990s, it escalated to US\$40 in 2004, before it rose to about US\$60 in 2005. However, just before the global economic crisis, the oil price jumped to US\$70 per barrel in 2007 and even escalated to US\$174 per barrel in July 2008 before a subsequent sharp decline to about \$40 per barrel (Khan and Ahmed, 2012). The average oil price was \$60 in 2019. There is currently a meltdown in oil price caused by the COVID 19 pandemic, the effect of which would be analyzed in coming months or years.

Amongst the comity of Nations, Nigeria is not only known as an oil nation but the number one oil exporter in Africa and 6th in the World with huge petroleum reserves; which made her a key participant in oil trades since in the 1980's till date. No doubt, oil has become an indispensable input for production, economic growth and social development. Two-thirds of the global energy requirements are met with oil and gas supplies (AfDB, 2009). Globally, oil price shocks have been considered as the major source of economic fluctuations. Hamilton (2011) indicates that all, except one of the US macroeconomic downturns since World War II were preceded by higher oil prices. As a result, since the 1970s, the impact of oil price shocks on macroeconomic variables, their causes and consequences on both the oil-exporting as well as oil-importing nations of the world have received a great deal of academic attention (Blanchard and Gali, 2007; Aliyu, 2009; Kilian, 2009; Iwayemi and Fowowe, 2011).

In an efficient market, prices reflect known existing and anticipated future circumstances of supply and demand and factors that could affect them. Changes in market prices tend to reflect changes in what markets collectively known or anticipate. When market prices tend to change a lot over a relatively short time, the market is said to have high volatility. This indeed is the main attribute of crude oil prices characterized by this highly volatile nature of market makes it one of the major macro-economic factors that create an unstable economic condition for countries around the world. Oil price volatility has an impact on both oil-exporting and oil-importing countries. According to Federer, (1996) as cited in Whidi and Prajitno, (2011), an increase in the oil prices influences the economy of oil-importing countries negatively; in the case where Nigeria situate itself. This further causes increase in inflation and economic recession. On the other hand, oil-exporting nations are

positively correlated to the increase in oil prices. The concept of volatility is sometimes confused with consistent rise in price of commodities, though volatility can result in rising prices, it could also equally result in significant drop or decrease in prices as is currently being witnessed in 2020. Volatility measures the extent of the variability of price or quantity that occurs on a daily, weekly, monthly or yearly basis, it measures how much a price changes with regards to either its trend or constant long-term level.

While working on this paper the coronavirus pandemic was announced in China – and spread to the whole world. The coronavirus pandemic has helped create a perfect storm of negatives that could depress oil prices for at least the next year — and maybe longer — and threatens the survival of certain oil producers. The full impact of this virus may not be fully analyzed until after some time. From the for goings, the study intends to empirically appropriate the effect and by how much, the Nigerian economy, a heavily dependent of her oil sector, would steer through her budget management hurdles eminently imminent in the midst of torrential shocks from the volatile oil prices(asymmetry), particularly shortly before and within the COVID-19 period. Apparently, the concept of volatility and its effect on net oil importing and exporting economies have at various times and studies came out a lot diverse and controversial in outcomes. While others argued in favor of positivity in effect, others viewed same negatively. More complicating was the fact that Nigeria doubled as both a net importer and exporter of oil products with over 90% of revenue earnings from the sector for budget implementation.

Oil Price Volatility and Macroeconomic variables in Nigeria

Nigerian economy is heavily dependent on oil sector, which constitutes about 90 percent of the export earnings and about 83 percent of the overall government revenue (BAA, 2011). Nigeria economy is one that is highly integrated within the global economy, vulnerable therefore, to exogenous shocks (Riley, 2006). As a result, oil price shocks tend to play a significant role in (dis)stabilizing government account including conditioning both fiscal and monetary policies. Variables such as: exchange rate, inflation, Government expenditure, trade balance, capital formation, money supply etc. are few of the macroeconomic variables and transmissions through which oil price volatility impacts the economy. Studies have shown that relationship that exists among oil price fluctuation and those macroeconomic variables often exhibited volatile trend.

Studies such as Adeniyi et al (2013), Akpan (2010), ThankGod and Maxwel (2013), Oriaki and Iyoha (2013) have all pointed out an existence of significant impact oil price fluctuation on these variables. According to Adeniyi et al (2013) changes in oil price have significant effects on inflation in Nigeria's economy through the influences of exchange rate dynamism and money supply. (Akpan 2010)

observed positive and negative oil price shocks significantly increase inflation, findings from the study show a strong positive relationship between positive oil price changes and real government expenditures. Oriaki and Iyoha (2013) revealed that there exists a direct impact of oil price volatility on real GDP, real exchange rate and real import, while its impact on real GDP, real money supply and inflation are through other variables, specifically real government expenditure.

Crude oil, no doubt, is a crucial commodity for both importing and exporting nations, as it is either an important input factor or source of income. For instance, a rise or fall in price is therefore of interest to these economies and can affect various macroeconomic variables, such as economic growth and level of trade openness. The prevailing view among economists is that an increase in oil price, *ceteris paribus*, tends to have a positive effect on oil exporting countries. This is however, based on the idea that a boost in oil price, generates a change in terms of trade as income is transferred from importing to exporting nations, resulting in an increased national income. Following a price rise, the exporting economies potential gains are however diminished because of the decreased demand for oil from importing economies.

On the other hand, changes in oil price might not always be considered to be positive for exporting countries, even when they lead to a higher price. Large fluctuations entail increased uncertainty, often leading to diminished incentives for investment. Moreover, it becomes more challenging for these economies to plan ahead and could results into costly reallocation of resources (Bernanke, 2004). Countries dependency on oil exports is inevitably crucial, particularly, when examining how economies react to oil price shocks (Volatility).

According to Iyoha and Okim (2018), trade openness can create a room for advance technological progress and efficiency in allocating inputs by eliminating protection for import substitution industries which, in turn, influences economic growth. Hye and Lan (2016), and Tsaurai (2017) mention that a country with a higher degree of openness has a greater ability to absorb technological developments generated in the leading nations, and this absorption capability leads them to grow more rapidly than a country with a lower degree of openness. However, Asfaw (2014) argues that the equilibrium rate of growth in the poorer countries does not solely depend on openness rather on its initial stock of knowledge and the cost of imitations. The study further argued that if the imitation cost of innovation in the poorer countries becomes lower than the cost of innovation in technologically advanced economies, the poorer countries will grow faster than the advanced ones, and there will be a tendency towards convergence.

Concept of Economic growth

Economic growth is an increase in the production of economic goods and services, compared from one period of time to another. It can be measured in nominal or real adjusted for inflation terms.

Traditionally, aggregate economic growth is measured in terms of gross national product (GNP) or gross domestic product (GDP), although alternative metrics are sometimes used. Economic growth is an increase in the production of goods and services in an economy. Increases in capital goods, labor force, technology, and human capital can all contribute to economic growth. Economic growth is commonly measured in terms of the increase in aggregated market value of additional goods and services produced, using estimates such as GDP. In economics, growth is commonly modeled as a function of physical capital, human capital, labour force, and technology. There are a few ways to generate economic growth. The first is an increase in the amount of physical capital goods in the economy. Adding capital to the economy tends to increase productivity of labour. Newer, better, and more tools mean that workers can produce more output per time period. A second method of producing economic growth is technological improvement. Another way to generate economic growth is to grow the labour force. All else equal, more workers generate more economic goods and services. Like capital driven growth however, there are some key conditions to this process. Increasing the labor force also necessarily increases the amount of output that must be consumed in order to provide for the basic subsistence of the new workers, so the new workers need to be at least productive enough to offset this and not be net consumers.

2.0 Methodology

The study made use of time series that spanned from the year 1990-2018 derived from combined sources of CBN statistical Bulletin of 2018 and WDI data bank for the relevant years. Similarly, the volatility values were derived through the combined use of World Bank atlas method and Pesaran (2009) methodology. The statistical instruments for data analysis adopted in this study include the use of basic descriptive and inferential statistics, to include regression results, correlation analysis amongst the variants. Intuitively, the study employed the famous linear regression analysis with its known merits of least variance and consistent estimators while the correlation analysis outputs measure the degree of association of the oil price asymmetry, trade openness and economic growth in Nigeria employed for the study. Literature has, so far, suggested that fluctuations connote divergence; as a result, the empirical findings would tell the extent to which oil price fluctuations (volatility) has affected Nigeria trade balance (external sector) and by extension economic growth. These statistical instruments have been used by numerous researchers for many years and have been confirmed reliable (Ogundipe and Oluwatobi, 2016; Iheanacho, 2016).

The Augmented Dickey-Fuller (ADF) is employed to ascertain the integration level and the possible co-integration among the variables (Dickey and Fuller 1981). The objective is to ensure that the time series variables are stationary; this will prevent spurious result and problem of autocorrelation. However, in most cases time series variables are non-stationary in nature; and thus running a regression analysis on non-stationary time series variables will result in spurious results, which in turn will lead to a wrong inference by establishing that the variables are correlated when in reality

they are not. Therefore, as would be expected if the variables of concern are non-stationary at level but found to be stationary (of the same order) after differencing with the help of Johansen Multivariate Cointegration statistics was employed accordingly.

Model specification

Koutsoyiannis (2003), defined model specification as involving the determination of the endogenous from the exogenous variables required in the model, the theoretical expectations about the sign and the size of the parameters of the function(s). On that basis, the study modifies the works of Ogundipe and Oluwatobi (2014); Egbo, et. al., (2016); Iheanacho (2016) in order to formulate its structural equation below. The modified structural equation is justified in order to strengthen the work of the aforementioned scholars in relation to the economic realities of the external sector economics in Nigeria.

$$GDP_{gt} = \beta_0 + \beta_1 Opt + \beta_2 OP_Vt + \beta_4 Ex + \epsilon_t \quad (2.1)$$

GDP_{gt}: - Gross Domestic Product growth rate

Openness: -The degree of openness of the Nigerian economy (import+export/GDP*100)

OP_{vt} :- Oil price fluctuations (volatility)

Ex :- Exchange rate values

If equation 2.1 holds at every period, it means it also holds in past periods. Therefore, the first equation is subsumed into equation 2.2 thus;

$$GDP_{gt} = \beta_0 + \beta_1 Opt + \beta_2 OP_Vt + \beta_4 Ex + \epsilon \quad (2.2)$$

Where; GDP_g, Opt, OP_{Vt}, Ex and ϵ all represent unknown values of the series.

When equation 2.1 is subtracted from equation 2.2,

$$\Delta GDP_{gt} = \beta_0 + \beta_1 \Delta Opt + \beta_2 \Delta OP_Vt + \beta_4 \Delta Ex + \Delta \epsilon \quad (2.3)$$

Here, Δ means the difference in the variables been used. Therefore; for the coefficient to be expressed in elasticity form and standard error reduction; equation 2.3 is transformed as;

$$\Delta GDP_{gt} = \beta_0 + \beta_1 \Delta \ln Opt + \beta_2 \Delta OP_Vt + \beta_4 \Delta Ex + \Delta \epsilon \quad (2.4)$$

Here; $\epsilon_t = \Delta \epsilon = (\epsilon_t - \Delta \epsilon_{t-1})$

For clarity, equation 2.2 is seen as the level form equation while equation 2.3 is in the form of first difference. These forms are used a lot in empirical analysis, particularly, where studies are more interested or rather focused on the relationship of the variables in growth form; that is in their first difference form. In equation 2.4 $\Delta \ln OP$, represents the log form of the level of openness. The rest were left in their original nature due to the fact that they appear in either rates or percentages. A change in any of the lagged variables is a percentage change when multiplied by 100. Equation 2.3 model involves lagged form of some regressors; hence, called the dynamic semi-log regression model. The values of the conditional fluctuations are obtained from the equation of the OLS (x,y) model;

$$Y_i = \alpha + \beta * X_i + \epsilon_i \quad (2.5)$$

In the equation above, Y stands for the dependent variable, which is GDPg in this case, and it is determined by the independent variables. X stands for the independent variable(s) which in this case are; degree of openness, oil Price fluctuations (volatility) and exchange rate. Alpha (α) and beta (β) have fixed values (they are the model parameter). Alpha is an intercept/constant which measures the value at the point where the regression line passes the y-axis. Beta on the other hand, is a slope; measures how steep the regression line is. The epsilon (ϵ) stands for error/disturbance term. The model also minimized the sum of squared residuals:

$$\epsilon = y_i - \alpha - \beta * x_i \quad (2.6)$$

Equation 3.7 gives the equation of the error term, which is derived from equation 3.6 in order to minimize the squared residuals, perfect in deriving the estimable values of the parameters.

$$\text{Min} \sum (\epsilon_i)^2 \Rightarrow \text{min} \sum (y_i - \alpha - \beta * x_i)^2 = S(\alpha, \beta) \quad (2.7)$$

The squares of residual are important because; negative deviation does not at all times cancel out positive deviations. The squaring down of the residuals, both the negative and the positive, estimates are of same weight. Due to this, it is not relevant whether the dependent variable (y_i) is over estimated or underestimated.

3.0 Findings and its Discussions

Table 1: Summary of the Series descriptive Statistics

	GDP_GR	OPEN	OILP_V	EXCH_R
Mean	4.627476	112.5634	7.134500	140.5745
Median	5.015935	110.1977	7.134500	132.6700
Maximum	15.32916	146.9893	7.134500	269.5100
Minimum	-2.035119	70.16860	7.134500	109.5500
Std. Dev.	4.031869	19.37638	0.000000	30.30211
Skewness	0.376711	0.068530	NA	2.727957
Kurtosis	3.246405	2.383697	NA	12.40467

Jarque -Bera	0.759268	0.481659	NA	142.8429
Probability	0.684112	0.785976	NA	0.000000
Sum	134.1968	3264.337	206.9005	4076.660
Sum Sq. Dev.	455.1672	10512.43	0.000000	25710.10
Observations	29	29	29	29

Source: Author's computation, 2021

Table 1 show that GDP growth rate has an average of 4.62748 and a std. dev. value of 4.03187. This means that GDP growth rate has a wide variation (deviation) as supported by the maximum and minimum values of 15.33 and -2.035 respectively. With a positive skewness value of 0.376711 and moderately platykurtic value of 3.246405 it implies an increasing GDP growth rate trend with obvious occurrences of major fluctuations arising from the oil price shock within the period of observations. Also, the exchange rate has an average and std. dev. Values of 140.575 and 30.3021 which implies that there has been a notable increase in the rate of exchange over the years with a maximum and minimum values of 269.51 and 109.55 respectively. Exchange rate is equally positively skewed with the value 2.727957 which equally suggests the occurrence of major distortions during the study period. Furthermore, trade openness shows a mean value of 7.1345 and as well as a std. dev. value of 19.376. Clearly, this indicates that the trade openness within the period in review has equally increased, though moderately. Trade openness has a positively moderate skewness value of 0.06853 and a leptokurtic value of 2.383697 that indicated an occurrence of minor fluctuations. Lastly, the oil price volatility value, being the control variable shows a mean and std. dev. values of 7.135 and zero respectively; with a max and min values being same at 7.135 respectively. This is theoretically explained given that it's the control variable emitting change on others.

Table 1b: Time-Series Normality Test

	GDP_gr	Openn	Oilp_v	EXR
Jarque-Bera	0.759268	0.481659	NA	142.8429
Probability	0.684112	0.785976	NA	0.00000

Source: Author's computation, 2020

In view of time-series data used in this study, it is pertinent to test whether the data were normally distributed or not. To detect the normality of each variable we use the probability of the jarque-bera statistic. From the Normality Test result above, it is conspicuous that not all the variables [GDP_gr(p-value=0.684112), Open (p-value=0. 0.785976), Oilp_v (p-value=NA)and EXR (p-value=0.0000)] have a p-values lower and higher than 0.05 (5%) and for presence of abnormality in the variables' data distribution, studies have posited that the probability value (simply known as the p-value) should be less than 5%. Thus, it is evident from the above that the variables with an exception of exchange rate have their p-values not lower than 5%, which means that they are not abnormally distributed. Therefore, the variables are logged.

Table 2 Covariance results of the series used for the analysis

	C	OPEN	OILP_V	RGDP_Gr	EXCH_R
C	29.9169	6.4109	-0.1727	-0.0317	-0.0711
OPEN	6.4109	4.3829	-1.0969	7.5996	3.3262
OILP_V	-0.1727	-1.0969	0.0018	-0.0062	-0.0002
RGDP_Gr	-0.0317	7.5996	-0.0001	0.0038	0.0002
EXCH_R	-0.0711	3.3262	-0.0002	0.0002	0.0006

Source: Researcher's Computation, 2021

The line graph above shows the zigzag movements of each variable used in this study. It is observable from the above graphs that other variables exhibited white noise principle degree of trade openness grossly displayed fewer fluctuations; emphasizing the truism of the non-normality assumption of the series.

Stationarity (Unit-Root) Test

The study commenced its empirical analysis by first ascertaining the unit roots of the time series to be used for analysis. This is important because most time series exhibit non-stationarity traits in their level form, which often poses a serious problem to econometric analysis and may therefore lead to spurious result if appropriate measures are not taken.

Variable		@ level	@ first difference	@ second difference	Equation Specification	Order of integration
RGDP_gr	ADF	-2.025024 (0.2749)	-4.494464 (0.0077)	-	Intercept & Trend	I(1)
	PP	-1.541368 (0.7881)	-4.463796 (0.0082)	-	Intercept & Trend	I(1)
OPEN	ADF	-1.542351 (0.7878)	-4.064202 (0.0195)	-	Intercept & Trend	I(1)
	PP	-1.714282 (0.7158)	-4.039328 (0.0205)	-	Intercept & Trend	I(1)
OILP_V	ADF	-2.184486 (0.4779)	-4.465284 (0.0086)	-	Intercept & Trend	I(1)
	PP	-2.313794 (0.4125)	-4.591887 (0.0062)	-	Intercept & Trend	I(1)
EXR_R	ADF	-3.619126 (0.0485)	-5.078996 (0.0023)	-	Intercept & Trend	I(0)
	PP	-2.705855 (0.2423)	-6.889486 (0.0000)	-	Intercept & Trend	I(1)

P-values at 5% statistical significance Source: Author's computation, 2021

To guard against spurious result, this study takes the step in checking the properties of the variables with the use of the Augmented Dickey-Fuller (ADF) test developed by Dickey and Fuller (1981) and the Phillip-Perron (PP) test developed by Phillips and Perron (1988). The results are presented in Table 3. With respect to the ADF test on Table 4.5, all the variables were found to be non-stationary in their level except exchange rate. The result of the ADF test is supported by the PP test result. However, the PP result showed a superior result when the values are compared. Therefore, this suggests that all the variables are integrated of order one.i.e. they are all I(1s). This outcome satisfies the condition for conducting cointegration test, which requires that all the variables must be integrated of the same order either at first difference or higher difference. Hence, the next sub-section

presents the results for the cointegration test. After identifying the order of integration in levels and at first difference using both ADF and PP test, the results from the two unit root tests suggested that the long run relationship among the variables may exist. Therefore, it is very appealing to investigate if the individual variables of interest can actually converge in the long run. To investigate this, the study employed Johansen Multivariate Cointegration technique.

Johansen Co-integration test result

The basic idea behind co-integration is that if in the long-run; two or more series move closely together, even though the series themselves are trended, the difference between them is constant. It is possible to regard these series as defining a long-run equilibrium relationship, as the difference between them is stationary (Hall and Henry, 1989). A lack of co-integration suggests that such variable has no long-run relationship: in principle they can wander arbitrarily far away from each other (Dickey et al, 1991).

Fig 1: Johansen Multivariate Co-integration Test

Date: 01/03/21 Time: 09:37

Sample (adjusted): 1991 2018

Included observations: 25 after adjustments

Trend assumption: Linear deterministic trend

Series: RGDP_GR OPEN OILP_V GFC_G EXCH_R

Lags interval (in first differences): 1 to 1

Unrestricted Cointegration Rank Test (Trace)

Hypothesized		Trace	0.05	
No. of CE(s)	Eigenvalue	Statistic	Critical Value	Prob.**
None *	0.787568	99.97622	69.81889	0.0000
At most 1 *	0.743080	61.24794	47.85613	0.0017

Atmost 2	0.525777	27.27318	29.79707	0.0951
At most 3	0.231382	8.621225	15.49471	0.4016
At most 4	0.078440	2.042184	3.841466	0.1530

Trace test indicates 2 cointegratingeqn(s) at the 0.05 level

* denotes rejection of the hypothes is at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Source: Author's Computation, 2021

The study employed the maximum likelihood test procedure established by Johansen and Juselius (1990). To identify the long run relationship among the included variables, the Johansen (1988) multiple cointegration tests has been employed by using a lag length of one year suggested by Schwarz Information Criterion (SIC) criteria. From the above tables, it can be observed that both the Trace test and Maximum Eigenvalue test rejected the first null hypothesis at 1% level of significance, implying presence of one cointegrating equation among the variables. Specifically, the trace test statistics indicates the existence of one cointegrating equation, and likewise the maximum Eigenvalue statistics reveals the same at 1% level of significance in both cases. Therefore, it is concluded that there is long-run relationship among the variables.

Fig 2: Regression output

Dependent Variable: RGDP_GR

Method: Least Squares

Date: 01/03/20 Time: 09:58

Sample(adjusted): 1991 2018

Included observations: 26 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-3.369798	0.767187	-4.392406	0.0003

OPEN	0.607991	0.131155	4.635654	0.0002
OILP_V	-0.660956	0.111209	5.943381	0.0000
EXCH_R	0.170586	0.147072	1.159880	0.2598
$\mu(-1)$	-0.096328	0.260618	0.369614	0.7156
R-squared	0.966868	Mean dependent var		4.039044
Adjusted R-squared	0.958585	S.D. dependent var		0.664289
S.E. of regression	0.135187	Akaike info criterion		-0.965146
Sum squared resid	0.365509	Schwarz criterion		-0.674816
Log likelihood	18.54689	Hannan-Quinn criter.		-0.881541
F-statistic	116.7304	Durbin-Watson stat		1.830735
Prob(F-statistic)	0.000000			

Source: Author's Computation, 2021

The results in fig.2 denote the OLS error correction regression. The differenced variables' coefficients represent short run effect of these variables on the dependent variable. The results show that our ECM model has a high coefficient of determination. This can be seen from the R-squared of about 0.9669 (96.69%) percent and the adjusted R-squared of about 0.9586 (95.86%) percent. The R-squared measures the percentage of variations in the dependent variable that was accounted for by variations in the explanatory variables. Thus, it can be argued that our data is well fitted in our model. The value of the F-statistic is 32.76 and its associated probability value is 0.000000 which is less than 1%. This implies that our overall regression model is statistically significant at 1% level. Thus, all the explanatory variables jointly explain variations in the dependent variable (GDP_gr). The estimated coefficients of the explanatory variables show that not all the explanatory variables conform to a priori specification and are all individually statistically significant at the conventional 1% or 5% levels.

This implies that increase in trade openness and exchange rate will lead to increase in the growth of the Nigeria economy. However, increase in the oil price volatility leads to decrease in the level of growth of GDP in Nigeria. This means that oil price fluctuations isn't currently doing Nigeria economy any good, even as it plays active role in economic activities in Nigeria. The value of the

Durbin-Watson statistic is 1.83; approximately 2. It is known that when the value of Durbin-Watson is 2, there is no autocorrelation in the residuals; when DW approaches 0, there is evidence of positive autocorrelation (first order autocorrelation) in the residuals. However, when DW approaches 4, there is problem of negative autocorrelation (2nd order autocorrelation) in the residuals. With this in mind, we can safely argue that our model is not plagued by autocorrelation of any order. This implies that our model is reliable for making inferences.

Having found co-integration among the variables, then it follows that the coefficient of the error correction term (ECT) should be negative and statistically significant for the disequilibrium to be corrected in subsequent period and long run equilibrium restored. This condition is met by our model as the coefficient of the one period of the error correction term ECT_{t-1} is negative (-0.0963 approximately) and it is highly statistically insignificant at 1 percent level. The negativity of the ECT_{t-1} signals that the system is stable enough and is capable of converging into the long run equilibrium after some shocks/disturbances in the system. The value -0.0963 implies that about 9.63% of the disequilibrium is restored within one year. However, this means that the speed of adjustment is very sluggish, as it will take 15 years on average for long run equilibrium to be fully restored after some major shocks coming from oil price asymmetry.

More importantly, one of the cardinal objectives of the study is to determine whether or not there is causal relationship between oil price fluctuations and economic growth in Nigeria. To this end, the Granger causality test was carried out between the oil price volatility and growth of the GDP in Nigeria. The null hypothesis underlying the Granger causality test is that the variable under consideration does not Granger-cause the other while the alternative is that it Granger-causes it.

Table 5 Granger causality:

Pairwise Granger Causality Tests

Date: 01/03/20 Time: 11:18

Sample: 1990 2018

Lags: 2

Null Hypothesis:	Obs	F-Statistic	Prob.
OPEN does not Granger Cause GDP_GR	27	0.05303	0.9485
GDP_GR does not Granger Cause OPEN		2.56243	0.0999
OILP_V does not Granger Cause GDP_GR	27	4.12340	0.1204
GDP_GR does not Granger Cause OILP_V		3.12280	0.4113

EXCH_R does not Granger Cause GDP_GR	27	1.84525	0.1816
GDP_GR does not Granger Cause EXCH_R		0.45412	0.6408
OILP_V does not Granger Cause OPEN	27	1.21923	0.3147
OPEN does not Granger Cause OILP_V		0.50542	0.2296
EXCH_R does not Granger Cause OPEN	27	2.05713	0.1517
OPEN does not Granger Cause EXCH_R		0.08075	0.9227
EXCH_R does not Granger Cause OILP_V	27	0.05303	0.9485
OILP_V does not Granger Cause EXCH_R		2.56243	0.0999

Source: Author's computation, 2021

The results in table 5 show that oil price volatility doesn't granger cause economic growth in Nigeria. It is instructive to point out here that the co-integration test carried out earlier, indicate the existence of a long run relationship between variables but say nothing about the direction of the causal relationship. Execution of the Granger causality test makes it possible for us to determine the direction of the Granger causality. In the Granger causality approach, causality exists if the F-statistic is statistically significant given its associated probability value. Thus, in this study, causality is established up till 5% level. In general, it can be safely concluded that though, oil price fluctuations doesn't currently granger cause growth in Nigeria, there is an evidence of a long-run relationship between oil price fluctuations and economic growth in Nigeria. This result lends support to the endogenous growth hypothesis in Nigeria.

Table 6: Breusch-Godfrey Serial Correlation LM Test:

F-statistic	0.734883	Prob. F(2, 20)	0.4921
Obs*R-squared	1.9168093	Prob. Chi-Square(2)	0.3835

Source: Author's Computation using E-Views, 9.1

Table 6 shows that the F-statistic and Obs*R-square values of 0.734883 and 1.92 with p-values of 0.4921 and 0.3835 respectively indicates the absence of autocorrelation in model since the F-statistic and Obs*R-square with p-values of 0.54 and 0.45 are greater than the critical values at 5% level of significance. Thus, we can conclude that there is no presence of autocorrelation in the model.

Heteroskedasticity Test

This test is directed to check whether the variability of error terms is steady or not. The presence of heteroscedasticity signifies the instability of the residuals and could affect the inferences.

Table 7: Heteroskedasticity Test: Breusch-Pagan-Godfrey

F-statistic	1.298595	Prob. F(4,22)	0.2987
Obs*R-squared	5.159945	Prob. Chi-Square(4)	0.2793

Source: Author's Computation using E-Views, 9.1

Table 7, shows that the F-statistic and Obs*R-square values of 1.30 and 5.16 with p-values of 0.30 and 0.28 respectively indicates the absence of heteroskedasticity in model since the F-statistic and Obs*R-square with p-values greater than the critical values at 5% and 1% levels of significance. Thus, we can conclude that there is no presence of heteroskedasticity in the model.

In conclusion

The study examined oil price stock asymmetry, trade openness and economic growth in Nigeria between the years 1990-2018. Observably, there has not been consensus in the theoretical literature on whether oil price symmetry brings fortune enough to a country seen as both oil exporter and importer. However, what is clear is that oil price increase brings about instantaneous gain to the exporting country like Nigeria and vice versa. Nonetheless, the marginal gains made during the 1982-83 oil price booms were eroded by the effect of (Structural Adjustment Program) SAP policies of the then government. Similarly, recent events showed that much dependency on foreign reserve of the country on importation of equipment and consumables needed in the economy coupled with the fact that Nigeria equally imports these petroleum products from international market further diminishes the few supposed gains *abinitio* made via exportation. Consequently, the above conundrum elicited the need for this study through collection of (historical) time-series economic data on oil price symmetry, trade openness and growth indicators in order to examine their impacts and relationships. From the review of literatures, it was discovered that over the years, Nigerian government had designed and formulated policy measures to ensure cushioning effect of oil price fluctuations but was however, not effective enough since her supply side is weak with high propensity to consume consumables goods and imported finished oil products. The study was, however, concluded based on the findings from the analysis conducted. On this note, it was drawn from the study that Nigeria is yet to fully reap the benefits of positive oil price asymmetry as an exporter of the product (Abel; 2014). The study concluded, especially, from the Johannessen long run, that currently oil price fluctuations have significant effect on trade openness and is supported the empirical evidence from the studies of

Gounder and Bartlett (2007) Segal (2011) and Hamilton (2008) but has no effect on gross fixed capital formation; consistent with the empirical evidence from the studies of Khan and Ahmed (2012). Moreover, the estimated coefficients indicated conformity with the a priori specification conditions and are all individually statistically significant at the conventional 1% or 5% levels. This implies that increase in trade openness and exchange rate will lead to increase in the growth of the Nigeria economy.

However, increase in the oil price volatility leads to decrease in the level of growth of GDP in Nigeria. This means that oil price fluctuations isn't currently doing Nigeria economy any good, even as it plays active role in economic activities in Nigeria in terms of shaping her budgetary allocations and functionalities. Surprisingly, variance decomposition result suggests that oil price and exchange rate collectively contribute to change in economic growth. More importantly, having found cointegration among the variables, and that the coefficient of the error correction term (ECT) is negative and statistically significant for the disequilibrium to be corrected in subsequent period to the long run equilibrium restored; the condition is met by our model as the coefficient of the one period of the error correction term ECT_{t-1} is negative (-0.0963 approximately), therefore, signals that the system is stable enough and is capable of converging into the long run equilibrium after some shocks/disturbances in the system. The value -0.0963 implies that about 9.63% of the disequilibrium is restored within one year. However, this means that the speed of adjustment is very sluggish as it will take 15 years on average for long run equilibrium to be fully restored after some major shocks coming from oil price asymmetry.

Lastly, it recommends as follows; based on the study findings:

- a. Government should ensure cushioning effect of the oil price fluctuations on the economy given that the result as shown so. Therefore, deliberate policy of in-built mechanism that would reduce importation in case of sustained rise in oil price and an increase in the case of sustained fall of same in order to placket the estimable effects.
- b. More so, government should promote openness in trade by encouraging non-oil product exportation, particularly, in the face of sustained shock in global oil price. This is aimed at mitigating the effect of the shock while saving more or augmenting the available foreign reserves.
- c. The study also recommends that there should be high level of deliberate development of capital formation by the government to assuage the loss of capital in both human and materials.
- d. Given that there is no causality between oil price fluctuations and economic growth currently in Nigeria, pre supposes that the Nigeria economy is as exposed as the magnitude of shock in the sector as none of her primary cautionary indicator could shield it from an extent of the effect

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BREAKING THE BARRIERS: OPEN DISTANCE EDUCATION, E-LEARNING AND PRISON EDUCATION IN NIGERIA

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ABSTRACT

This paper elicits Open Distance Learning as a mechanism for educational access and prison education as a developmental tool for the reduction of recidivism. It explores the benefits and profit gains of E-learning for prison education through shreds of evidence from relevant literature and documents review. It analyses the prison administration in Nigeria and the partnership of the Nigerian Prisons Service and the National Open University of Nigeria in providing remedial and continuous education opportunities for the prison inmates through a distance education platform. It describes prison education as the opportunity window through which prisoners can continue to pursue their educational dreams while under reformatory processes. It emphasizes the importance of, and opportunities attached to Open Educational Resources, and the unique element of no-cost and free of copyright restriction of Open Access as a fundamental shift in educational development. Conclusions from the work reveal that educating prisoners is an index for national development with a capacity to influence the reduction of recidivism. ODL and e-learning have helped achieve reformation of the character and skill acquisition needs of the prisoners as well as innovation of the teaching-learning process in the Nigerian prisons and beyond.

Keywords: e-learning, ODL, OER, prison education, recidivism

Introduction

The Nigerian Prisons Service (NPS) now Nigerian Correctional Service (NCS) is an institution conceived as a contemporary prison established in 1861 when Lagos was declared a colony by the colonial government as formal machinery of the government. Its vision is aimed at protecting the general populace against individuals who are perceived as being criminal minded and exhibiting criminal tendencies that could affect the peaceful existence of the society and inhibit the discharge of the functions of the government. Another aim for its creation was to provide recreation assistance and reinforcement programs for prisoners, under a secure atmosphere that is of universal standards for a specific period, under specific activities that could help build them for social reintegration. The

institution has since undergone a series of restructuring and developmental efforts with success stories and otherwise. The prisons have been reported in the past as more of a graveyard without any iota of social reformation achievement rather it has become more or less a recreation centre. It lacks good facilities and infrastructures suitable for human habitation, service provision, and it is bereft of technical know-how for the reformation of the inmates in line with the prison's vision and set functions. Okonkwo (as cited in Muhammad et al., 2017) noted that:

In Nigeria, up till today the conditions of our prisons are deplorable, inhuman and fall far below the standard set by the United Nations, especially in the Standard Minimum Rules for Treatment of Prisoners and related instruments. The rights to “respect of the dignity” inherent in a human being and freedom from “inhuman or degrading punishment and treatment” which both the 1999 Constitution and the African Charter seek to protect apply to “every individual”. Prisoners and detainees are not excluded. Yet prison conditions in Nigeria have had the most dehumanizing and degrading effect on inmates (p. 74).

However, after a barrage of negative records, the NCS recorded a milestone and score a huge point in the area of correctional and remedial continuous education service provided to the prison inmates through an open distance learning platform. This is aimed at getting education across to people regardless of where they work or live, their socioeconomic status or geographical locations. Record has recently shown that the NCS has dutifully mentored and raised among the prison inmates 465 undergraduates' students, 23 masters' students, and 2 PhD students across the nation for higher education pursuit across different disciplines. This in 2018 has earned the NCS an award and international recognition from the United Nations Education, Scientific and Cultural Organization (UNESCO). The award came in recognition of the NCS educational program initiative for prisoners being run in collaboration with the National Open University of Nigeria (NOUN) (Agent report, 2018).

This paper, therefore, seeks to examine how access to remedial and continuous education in the Nigerian prisons has been strengthened through the NPS/NOUN open distance learning partnership and how prison education with the effective use of e-learning materials has impacted prison life and

prevented recidivism.

Consequently, it provides through the shreds of evidence from relevant literature and documents review the background history of the Nigerian Correctional Services administration. It discusses the concept of Open Distance Learning as a mechanism for educational access and explains the role of the National Open University of Nigeria. It further highlights the problems and benefits of e-learning and prison education, and also expresses the potentials of open educational resources in aiding access to education.

The Nigerian Prisons Service (NPS) to Nigeria Correctional Service (NCS): History and Administration

A confined facility under which perceived criminals and law offenders are forcibly put is referred to as a prison. It is a systemic program through which legal authorities deny certain individuals a certain level of freedom and rights as a form of punitive measures. The Nigerian Prisons Service according to Obioha (2011), was typologically structured in forms of penal legislation which operate alongside each other in the country; the 'Penal Code and the accompanying Criminal Procedure Code Cap 81 Laws of the Federation 1990 (CPC)'; 'the Criminal Code and the accompanying Criminal Procedure Act Cap 80 Laws of the Federation 1990 (CPA)'; and the 'Sharia penal legislation' in 12 northern states (which applies to only Muslim members of these states).

Nigerian Prisons Service (NPS) is a government parastatal under the auspices of the Ministry of Interior, headed by a controller-general of prisons that are saddled with the responsibility to manage all prisons and prisoner's affairs across Nigeria. The prisons' administration activities like any other organizational activities involve administration and managerial functions that require human relations and concerted efforts which cannot be left in the hand of an individual (Onyekachi, 2016).

For administrative purposes, prisons in Nigeria are sub-classified into different categories: Convicted prisons, Divisional prisons, Provincial prisons, Lock-ups, and Prison camps (Onyekachi, 2016). The Nigerian prisons service is structured around six different directorates and eight zonal commands. The Deputy Controller-General of Prisons takes charge of the directorates' affairs while

the Assistant Controller General oversees the affairs of zonal commands. The creation of the directorates was to see to the decentralization of prisons functions to promote efficiency and capacity control for a productive administrative outcome of prisons services (Aliyu, Mustaffa, & Nasir, 2016). The Nigeria Prisons Service was changed to Nigeria Correctional Services (NCS) by the Federal Government of Nigeria through the signing of the NCS act 2019 as part of measures to redress all abnormalities surrounding prisons service in Nigeria. The Act is subdivided into “Custodial Service” and “Non-custodial Service.” Under custodial service, the law provides that while prisoners serve their jail terms, the emphasis is more on correctional service tailored towards readmitting them to society upon the completion of their jail sentences (**Agbedo & Agiobu-Kemmer, 2019**).

The fundamental idea behind the prisons service initiatives is basically to reform anyone who is being confined within the walls of prisons through correctional programs and equally to save society from the clutches of convicted criminals. The Nigerian prisons following its vision and mission statements have the legal duty and social responsibility among many other things to keep people who are legally jailed and convicted under their custody as safe as possible, establish the causes of their intrinsic anti-social and inhuman behaviour, and likewise to embark on reformation exercises targeted at their transformation to become reasonable citizens. It is also part of the prison mission and official duty to engage prisoners in human capacity training and developments through rudimental exercises in different vocational programs and educational engagements.

Open Distance Learning (ODL): A Mechanism for Educational Access

Education is an instrument of social reforms and social re-engineering. It helps the individual and government to build potentials and a society full of opportunities and aspirations. Education has a crucial role to play in the development of a nation and the value regeneration of the people. Open Distance Learning is a means through which education can be provided for people who could not access the conventional institutions and this could be as a result of so many factors such as; location, socioeconomic factors, geographical marginalization, or job restriction.

The Federal Ministry of Education (FME) (2002) defines ODL as the learning process that avails learners with the opportunity of choices and means of learning that take place at a significant distance organized by people that are removed from time and space isolated from the learners. This also corroborates with the definition of UNESCO (2002) “the term open and distance learning reflects both the fact that all or most of the teaching is conducted by someone removed in time and space from the learner, and that the mission aims to include greater dimensions of openness and flexibility, whether in terms of access, curriculum, or other elements of structure” (p. 8).

The incorporation of Information and Telecommunication (ICT) to human activities has contributed to the disclosure of technologies and techniques and has made a very significant reform in education and all other aspects of life. The last decade has witnessed tremendous development and societal growth from information society through the transformation of computer and information technologies penetrating education systems around the world (Dharankar, 2012). The increase in educational access and the promotion of individualized learning has been highlighted as a product of the development born out of the complementarity of technologies and techniques; it has also contributed to human interactions and created a paradigm shift in teaching and learning experience that has changed the narrative of education control from the teacher to the learner (Menon, 2016). Open distance learning is an initiative that allows the learner to learn and carry out his educational pursuit without the need for direct contact with the school or the education instructors. According to Khan (as cited in Dharankar, 2012), ODL has helped significantly in developing countries in addressing the challenges critical to education such as solving the issue of access, quality assurance, education cost, lifelong learning, and helping to reach out to the unreached communities. “ODL is a teaching and learning process in which students are separated from the teachers by a physical distance which is often bridged by communications technologies” (Dhanarajan, 2008, as cited in Jimoh, 2013). According to UNESCO (2002):

Open distance learning is one of the most rapidly growing fields of education, and its potential impact on all education delivery systems has been greatly accentuated through the development of internet-based information technologies, and in particular, the World Wide Web presenting approaches that focus on opening access to education and training provision, freeing learners from the constraints of time and place and offering flexible learning opportunities to individuals and groups of learners (p.7).

Open distance learning has created access opportunities for many knowledge seekers who have been denied opportunities to access education either as a result of their economic or social status, or their geographical locations. It has also served as a bridge of educational gaps for developing countries. This confirms the statement of Jimoh (2013) that: “open distance learning remains the primary mechanism for the information-driven age, a tool that has bridged the gap between developed and developing communities” (p.1).

In the light of this development, the National Open University of Nigeria was born to provide educational opportunities that are characterized by the separation of teacher and learner in time or place, or both time and place (Jegede, 2003). Based on this background, sizeable numbers of inmates in the Nigerian prisons against all odds have been able to break the barriers of access to education from within the confined walls of the prisons by exploiting the features of the open system of NOUN.

The National Open University of Nigeria (NOUN): An impetus for ODL in Nigeria

National Open University of Nigeria (NOUN) is an unprecedented federal open distance system of the learning institution in Sub-Sahara West Africa. It possesses the highest student capacity among the Nigerian institutions of higher learning. The National Open University was established at first on 22 July 1983 as an impetus for open and distance education in Nigeria, following the realization that traditional universities cannot meet the insatiable demand for higher learning in the country. It was later suspended on 25 April 1984 and eventually re-established on 12 April 2001 by the Nigerian federal government.

The Open University through its Management and Senate established special study centres in some of the nation's prisons and declared education free for prisoners as part of a plan to help them acquire formal education and improve quality of life and to ensure that education is accessible to every Nigerian (NOUN, 2017). This laudable initiative has recorded significant successes in graduating reasonable numbers of inmates across prisons in Nigeria at different levels of higher education and diversified courses of study.

According to the United Nations (UN) (2009), the provision of education furtherance program for prisoners is basic and vital for their re-integration back into the educational system of the society to make them employable at the end of their jail term. Reports show that, when parolees are faced with a lack of employment, they return to the street to commit crimes, and subsequently return to prison

(Mauldin & Ryan, 1994, as cited in Hrabowski & Robbi, 2000).

Ogidan and Jarrin (2016) asserted that NOUN's initiative in the provision of open education opportunities for prisoners is unprecedented. This has helped not only in the creation of a correctional window that complies with contemporary standards for prisoners but also in the creation of an employability window that could aid the growth and economic development of the country (Adeyeye, 2019). The initiative has provided many of the inmates with a second chance of learning opportunities and rekindled their hope for future aspirations. From the foregoing, the educational service initiative in the Nigerian prisons can be viewed as a supportive mechanism for the social reengineering of prisoners with consequential developmental values and effects.

NOUN and the problem of e-Learning

The open distance learning institution in Nigeria as a system characterized by e-learning is not without its shortfalls and challenges, just like the normal traditional universities and other developmental institutions. Some of the problems and obstacles facing NOUN and the proper execution of e-learning in Nigeria in general and prisons, in particular, are linked to ICT related issues on one hand and socio-economic factors on the other. On the general ground, the majority of these problems are highlighted in Ajadi et al. (2008).

Ajadi, et al and Olaniyi (as cited in Olukayode, 2015) highlight the problems of irregular power supply and the cost of maintaining self-generated power services as a critical summons for the full application of e-learning systems operations in Nigeria. They noted that many institutions engaged in a semi-class operation of e-learning systems which is mainly the adoption of intranet facilities such as the use of 'CD-ROM' as a means of accessing learning materials.

Hammerschick (2010) opined that e-learning systems in prisons are needed to be deciphered considering the trend of digital learning development and its possible effect on prisoners' education. This opinion enjoys the support of Hopkins and Farley (2015) who state that: 'The shift to paperless electronic learning and digital texts, however, will make tertiary study difficult if not impossible for many incarcerated students, especially those without access to an education officer or a computer' (p.38).

Benefits of Prison Education in the Reduction of Recidivism

The consideration of the role and place of education as a correctional tool has been a discussion of interest for stakeholders responsible for correctional administrations (Mauldin & Rayan, 1994, as cited in Hrabowski & Robbi, 2002). The Prison Study Project (2019) emphasizes the correlation and the unanimous agreement among conducted studies in the last two decades; that the enactment of higher education programs in prison has reduced recidivism which has in turn translated into crime reduction, cost savings, and societal harmony and safety among many others. Prisoners' education and capacity development have assisted inmates in transiting to normal societal life upon release. It has improved their employment opportunities and helped save parolees from returning to jail. Prison education has helped in developing the potentials of the incarcerated persons and enhances prisoners' self-esteem. It has helped the government in the reduction of crime rates in which the society usually in long term ends up bearing the longer burdens through opportunity cost; damaged family structures; loss of human potentials and many more. The Center for American Progress reported that 'Prisons with college programs have less violence among incarcerated individuals, which creates a safer environment for both incarcerated individuals and prison staff' (Bender, 2018, para.4). Given the foregoing, the benefits of prison education can be summarized in dot points as stated below:

- Reduction of recidivism
- Creation of employment Opportunities
- Substantial reduction of crimes and violence in society
- Prison education breaks down social vices and barriers such as racism, ethnicity, religious bigotry and terrorism
- It enhances prisoners' self-esteem
- Community intergenerational benefits
- It improves relations, between staff and prisoners

According to Rand report, 'Inmates who participate in any kind of educational program behind bars from remedial math to vocational auto shop and college-level courses are up to 43 per cent less likely to re-offend and return to prison, they also appear to be far more likely to find a job

after their release, and the social stability that comes with it.' (Rand, 2016, para. 3). Hraboswski and Robbi (2002) admit that educating prisoners assists a country in minimizing high recidivism which usually has negative economic impacts on society.

Profit Gains for E-learning

E-learning system of education involves teaching and learning that are administered utilizing electronic media and gadgets with the aid of the internet for the assessment of educational materials and courses outside the traditional classrooms or as a form of a complementary effort to the traditional learning (Cloete, 2017; E-learners.com, 2001; Hedge & Hayward, 2004; OECD/CERI, 2005; Valentina & Nelly, 2014). According to Hammerschick (2010):

E-learning goes beyond generally acknowledged definitions of e-learning and includes many different ways to take advantage of ICT in training and education in prison. According to him an understanding of e-learning includes education via the internet, via networks or standalone computers, web-based applications (WBT), computer-based applications (CBT) and virtual classrooms.

E-learning has several advantages and benefits that could be useful and effective for the provision of correctional education considerable for the Nigerian prisons service. The functionality of e-learning in a prison environment is enormous (Etherington, 2017). Some of these benefits are highlighted in bullet points as follows:

- It is cost-effective compared to the traditional forms of learning
- It accommodates prisoner's educational needs because of its affordance to focus on the peculiar needs and its flexibility
- Its impact on the environment is lesser
- It allows for individual study schedule and pace setting
- It provides round the clock studying format
- It safeguards against gender discrimination and physical harassment
- It saves prisoners from the stressful rudiments of traditional schooling

- It promotes active and independent learning
- It provides the prisoners with an avenue to socialize educationally through discussion forums and chats

E-learning provides prisoners with varied opportunities that also add up to their vocational training and development such as the digital literacy skills needed to build technological knowledge capacities (Friedrich, 2010). It creates room for both faster and slower learners to exploit different paces without fear of being judged and allows the teachers to develop new ways for monitoring and evaluation that motivate learners, making them more individualized (Murphy & Rodviquez-Manzanoves, 2008). Friedrich posited that technology cannot substitute the personal guidance of inmates by teachers, but it can support the qualification process by adding educational resources to effectuate learning and give teachers time for their actual pedagogical work based on experiences from e-learning case studies all over Europe.

Open Educational Resources (OER) and the Question of Educational Barriers

The question of barriers to education is technically an issue of access to educational opportunities at different levels of educational pursuit, most importantly at the higher education level. Open Educational Resources (OER) has been a phenomenon and an underpinning factor for a paradigm shift in the widening of access and breaking of barriers to educational accessibility with very little or at no cost except access to internet facilities. The United Nations Educational, Scientific and Cultural Organization (UNESCO) (2012) defines open educational resources (OER) as 'teaching, learning and research materials in any medium, digital or otherwise, that reside in the public domain or have been released under an open license that permits no-cost access, use, adaptation and redistribution by others with no or limited restrictions' (p.1). Peter and Deimann (2013) raise the question as to whether openness is only driven by technology or the fundamental claim that knowledge should be considered a common good that needs to be made open and accessible for public use? They cited D'Antoni and Savage (2009) stating that: "Openness is the breath of life for education and research. Resources created by educators and researchers should be

open for anyone to use and reuse”. They claimed that the argument resonates essentially with the Universal Declaration of Human Rights, which states that: 'Everyone has the right to education and education shall be free, at least in the elementary and fundamental stages' (United Nations, 1948, Art. 26, para. 1).

The rise of OER has created new sets of educational opportunities that have become a focal point in the discussions surrounding openness and open opportunities for teaching and learning (Peter & Farrell, 2013). In an attempt to reiterate the values and elements of openness in educational materials and resources, Peter and Derimann (2013) stated that:

In the context of education, “open (ness)” has become the watermark for a fast-growing number of learning materials and associated platforms and practices from a variety of institutions and individuals. Open Educational Resources (OER), Massive Open Online Courses (MOOC), and more recently, initiatives such as Coursera are just some of the forms this movement has embraced under the “open” banner. (p. 7).

OER has the potential to help the developing countries in their fight in breaking access barriers to education. This is because it possesses opened and digitalized features that offer educational materials to knowledge seekers for free as an attempt to enhance the teaching and learning process and support educational goals. The internet and the concept of openness have proliferated the web interface with information that has encouraged self-learning. The implication of openness, digital technologies and access were succinctly averred by Davidson and Goldberg (2012):

Digital technologies have dramatically encouraged self-learning. Web interfaces have made for less hierarchical and more horizontal modes of access. The Web has also facilitated the proliferation of information, from the inane and banal to the esoteric and profound, from the patently false, misleading, even (potentially) dangerous and destructive, to the compelling, important and (potentially) life-enhancing and life-saving. But the relative horizontality of access to the Web has had another surprising effect: it has flattened out contributions to knowledge-making, so that they are much less the function of the credentialed elite, and are

increasingly collaboratively created (p.251).

In conceptualizing open access and promoting its values, the *no-cost* and *free of copyright restriction* element should be viewed as a fundamental shift and a distinct manoeuvre for educational practices (Peter & Farrell, 2013). The openness of OER is a milestone that is central to the general development of education and an instrument of access for educational widening among developing countries particularly Nigeria.

Conclusion

Educating prisoners is an issue of greater importance for the achievement of peace and an index for national development with a capacity to influence the reduction of recidivism. This makes the issue of access to remedial and correctional education in Nigerian prisons a subject of necessity and a matter of envisaged national security. If this is acknowledged, then open distance learning systems should be given the topmost priority by the government and all existing education agencies in Nigeria towards their efforts in higher educational widening. Arguably, this will avail the government the opportunity to get education across to all its citizens and close the wide gap that was created by the lower carrying capacity of the conventional institutions owing to the technological elements embedded in ODL operations and the opportunities that can be derived from the concept of openness.

The achievement of the learner's support initiative of NPS/NOUN at the Nigerian prisons poses an indication that a lot could be achieved educationally if the government takes seriously its priority for education in Nigeria. ODL and E-learning have helped in the democratization of the teaching-learning process; it has helped achieve reformation of the character and skill acquisition needs of the prisoners as well as innovation of the teaching-learning process in the Nigerian prisons and beyond; it has helped in the creation of a heightened spirit of collaboration and material sharing through open resource systems among users.

Recommendations

Considering the general philosophy of prison and the intent of the Nigerian Correctional Service (NCS) to treat and reform prisoners for reintegration back into the society as law-abiding citizens,

and giving the positions of reviewed literature and based on the findings from the study, with the high hopes in correctional education as a catalyst for social reforms, it is recommended that the following steps be taken:

- The National Open University should be properly supported by the Nigerian government with a good policy guide, implementation strategies and funding initiatives that could help the institution to expand the special study centers across all prisons in Nigeria, and to actualize its projection of having a study center in every state capital and at every local government of the federation as embedded in its vision statement. By this, the lingering and overarching problem of higher education access in Nigeria could become a discussion of the past.
- The need to evolve a specialized prison education curriculum, such that will increase cognitive skills on changes in behaviour to be inculcated in the academic activities of prisoners.
- An overhaul of Nigerian prisons to create a more conducive environment for learning and human capacity development.
- The need for Open and Distance Learning institutions to widen their scope to accommodate the peculiar educational needs of prisoners tapping into OER opportunities.
- Setting up of pragmatic and systematic machinery that can be monitored, for the reintegration of ex-convicts back into the society with effective social welfare packages and possible employment opportunities for those with educational qualifications and qualified vocational and technical skills.
- The educational department of the prison is one of the vital institutions that require proper repositioning in order to positively impact on the lives of the inmates towards the realization of prison educational objectives (Aliyu et al., 2016). This calls for specialized training of the trainer's program for the designated prison officers.
- Further research is needed to analyze the impact of e-learning, specifically in prison education, to evaluate the learning outcome of applying new media in both general and vocational education, and to stimulate the further development of pedagogical concepts and technical solutions (Friedrich, 2010).

It is hoped that if all the recommendations are studied and put into use, it would go a long way to widen educational access to Nigerians regardless of their status and location. It will help in eradicating or reducing drastically societal crimes, save parolees from recidivism, and promote societal peace in Nigeria and beyond.

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**CORPORATE ENTREPRENEURSHIP DIMENSIONS AND CORPORATE
IMAGE OF SELECTED FOOD AND BEVERAGES MANUFACTURING
COMPANIES IN LAGOS STATE, NIGERIA**

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ABSTRACT

The food and beverages manufacturing sector globally plays a pivotal role in social and economic development of any economy. The industry has been plagued with inappropriate employment of corporate entrepreneurship, organization rigidity, poor business innovation and thus reduced organizational development of food and beverages companies in Nigeria. Hence, this study investigated the interaction between corporate entrepreneurship and corporate image of selected foods and beverages manufacturing companies in Lagos States, Nigeria. The study employed survey research design and six leading food and beverages companies were selected in Nigeria who controls 93% of the total market share of the entire listed food and beverages industry. The total population was 2,786 employees and multi-stage sampling techniques with sample size of 642 determined by Cochran formula. A well-structured questionnaire was adapted and validated. The Cronbach's alpha reliability coefficients for the constructs ranged between 0.710 and 0.881. The response rate was 92.2% and data were analyzed using descriptive and inferential statistics. Findings revealed that There is positive and significant effect of corporate entrepreneurship components on corporate image of selected food and beverages manufacturing companies in Lagos State ($F=1924.316$, $\text{Adj } R^2 = 0.951$, $p<0.05$). The study concluded that corporate entrepreneurship dimensions have positive and significant effect corporate image of food and beverage companies in Lagos State, Nigeria. The study recommended that marketing managers and the marketing department should develop more proactive so as to increase corporate image.

Keywords: Corporate entrepreneurship, Business Innovation, *Corporate Image*, Regression.

INTRODUCTION

Food and Beverages companies around the world are going through a time of unprecedented changes due to external forces, rise in customer expectation and competitive challenges which are happening at increasingly faster rates and in turn increases unstable market performance, declined in profitability and sales growth. The question of what should have been the potential influencing factor causing issues in food and beverages firms' development has long been occupying the mind of many researchers around the world. The challenges of poor organizational development in the food and beverages industry cut across the world. These challenges of poor organizational development, declined in the profitability, sales growth and market share are attributed to different factors (Trestl, 2016) but observations associate some of these challenges to lack of business innovation, poor environmental scanning (Olawoye, 2016), inefficient resource utilization, unpredicted consumer taste and demand and stiff competition (Mukutu, 2017).

Among developed countries like United State of America, Audax (2018) pointed that most (F&B) multinational companies have recorded declined in market share, profitability and sales growth, resulting from open market to stiff competition and dynamic customer demand. Considering developing countries, like South Africa where (F&B) food companies had faces customer diverse and demanding problems, which hindered (F&B) to grow (Nguegan & Mafini, 2017). Furthermore, the industry also faces a high incidence of unpredictable customer demand and preferences, which influences low business performance among (F&B) companies (Industrial Development Corporation, 2017). Zwingina and Opusunju (2017) revealed that most (F&B) manufacturing companies in Nigeria had not frequently applied the concept of innovation in their businesses. There is less of new product in the market, less adoption of marketing innovation strategies, poor business innovation processes by (F&B) companies in Nigeria which in turn declined their development and market performance.

The factors affecting organization development and corporate image of F&B companies in Nigeria were many and varied, and may stem from business environment as well as from factors internal to the business. Internal environmental factors affecting business development, corporate image and performance were in many cases, may be capable of being foreseen in advance, while on the other hand, some external factors were not so predictable (Abubakar, 2015). According to Olawoye (2016) and Abubakar (2015) pointed out that in Nigeria, a complex mixture of internal and external business factors determine the corporate image and development of organization; it is rare for one single factor to be responsible

Akaegbu and Usoro (2017) stated that most (F&B) manufacturing companies in Nigeria were rigid in terms of organization structure, decision making process and implementation and waste resources. These rigidity structure and delay in decision making process and waste of resources had created poor competitive advantage and profitability for most foods and beverages manufacturing

companies in Nigeria (Akaegbu & Usoro, 2017).

Akaegbu and Usoro (2017) and Abubakar (2015) asserted that majority of (F&B) manufacturing companies in Nigeria fail to grow resulted from poor proactiveness and environmental scanning of their business environment. Based on the discussion above, this study examined the effect of corporate entrepreneurship components such as business innovativeness, business environment, efficient resources utilization, organizational flexibility, proactiveness and risk taking on corporate image of selected food and beverages manufacturing companies in Lagos State.

The global business environment has become highly dynamic, unpredictable and highly competitive due to globalization, trade liberalization, and technological developments, particularly in the area of Information and Communication Technology and entrepreneurship development (Otache & Mahmood, 2015). All these developments had made the world to become a global market, where business organizations compete beyond national boundaries. The scope of competition had been widely expanded, and this creates a lot of challenges for business organizations and managers.

Business organizations' interest in corporate entrepreneurship strategies arises as a result of the dynamic nature of the market couple with the effect of globalization. Different studies had examined the link between entrepreneurship orientation, corporate entrepreneurship, strategic human resources and organization strategies on firm performance (Abdulkadir, 2012; Odumeru, 2013; Mokaya, 2012; Olakitan & Charles, 2012; Olughor, 2014); but most of these past studies never considered the effect of corporate entrepreneurship on foods and beverages manufacturing companies corporate image.

Notable among several factors responsible for change in the corporate image within manufacturing industry are change in consumers' taste, non-application of corporate entrepreneurship strategies, high competition among competitors and technological changes (Olughor, 2014). The studies of Zwingina and Opusunju (2017) asserted that most manufacturing firms in Nigeria experienced decline in their market share, corporate image and sales level due to increasingly global intense competition, poor application of entrepreneur strategies in handling imported product, shrinking product cycles, accelerated technological breakthroughs, and progressively greater globalization and importation in Nigerian manufacturing environment. Supported by Tsado and Gunu (2016) that most organizations in Nigeria had experienced setback in their strategic planning and corporate entrepreneurship and these had resulted to poor performance in terms of market share and financial performance. Based on this gap discovered, this study examined the effect of corporate entrepreneurship on the corporate image of selected leading foods and beverages manufacturing companies in Lagos State, Nigeria.

Ho: There is no significant effect of corporate entrepreneurship dimensions on corporate image of

selected food and beverages manufacturing companies in Lagos State

2.1 Conceptual Review

Corporate Entrepreneurship

Corporate entrepreneurship can be seen as organizational activities that are focused at creating a new business venture within the organization (Kuratko, Morris & Covin, 2011). In the same vein, corporate entrepreneurship refers to the process whereby an organization establishes new business units or instigates renewal within that organization (Otachea & Mahmood, 2015). Mokaya (2012) posited that corporate entrepreneurship can be referred to intrapreneurship had been used in many organizations as a major strategy for organizational renewal and improved performance.

Corporate entrepreneurship was a practice by which individuals inside organisations pursue opportunities independent of the resources they currently control (Kolakovic, Sisek, & Milovanovic, 2008), Morris, Kuratko and Covin (2008) see corporate entrepreneurship as the Corporate entrepreneurship centers on enhancing the company's ability to acquire innovative skills and capabilities. Innovativeness in form of new service or product, creatively, an administrative system that are performed by organizational members are elements of corporate organization. Corporate entrepreneurship according to Ndungi (2016) refers to developing new ideas and opportunities within the organization, that can lead to directly improving the company's profits and improve its competitive position Corporate entrepreneurship refers to the activities that enhance company's ability to innovate, take risk and seize market opportunities. It also refers to the development of new products or services, administrative systems and techniques, and the development of new business models and business ventures. Moreover, corporate entrepreneurship consists of the process where an individual or a group of individuals, within an established company, creates an innovation or a new organization and was involved in the process of wealth creation.

Business Innovativeness

Kiveu, Namusonge, and Muathe (2019) defines innovativeness as the introduction of a product which is new to consumers or with higher quality than existing products, new methods of production, the opening of new markets, the use of new sources of supply and new forms of competition, that lead to the restructuring of an industry. Kiveu et al. (2019) further stated that the features of innovativeness include adaptations, refinement, enhancements or line extensions; this is the most common features of innovativeness in many organizations. Kiveu *et al.* (2019) stated that the advantages of innovativeness increase global competitive advantage, shortened product lifecycles and ease of imitation make it necessary for firms to innovate to sustain competitiveness (Hamid & Tasmin, 2013). Hence pressure on all businesses to continually innovate by developing and launching new products and services is greater than ever (Wales, 2016). Innovativeness has thus

become central to firm strategies and policies in the pursuit of firm competitiveness. It remains a credible goal of many firms, national policies and is central in many firms' competitiveness (Wales, 2016). Pustovrh, Jaklic, Martin, and Raskovic (2017) further stated that the advantages of innovativeness are to; improved productivity, reduced costs, increased competitiveness, improved brand recognition and value, new partnerships and relationships and increased turnover and improved profitability while the disadvantages of innovativeness are that innovativeness are very costly and time consuming.

Business Environment

Environment was the summation of the external forces that influences individuals, groups, organizations and communities (Oginni & Faseyiku, 2012). Oginni and Adesanya (2013) seeing environment as the summary of the surroundings of a phenomenon which from time dictates and shapes the direction. Business organisation does not exist alone and cannot operate in vacuum; business organisation operates within the environment where the production and the distribution of goods and services are done (Oginni & Adesanya, 2013). Azhar (2008) stated that environment determines what can be possible for the organizations to achieve. Environment was the combination of several elements that were tangible and non-tangible or intangible elements which provides lifeblood backing for organizational success via provision of market for its products and services.

Internal environment were internal factors that determine the activities of the organization. These factors include the human resources, physical resources, organization policies among others. Internal environment describes the organizational resources, behavior, strengths, weaknesses, synergy and distinctive completeness within the organization. According to Pearce and Robinson (2013), internal environment include the resources, capabilities and competencies possessed by the company. Thus, it could be said that internal environment comprise factors that organization has control over and can easily manipulate to suit its objectives based on variables such as capital, procedure, profit, policy, structure, personnel, etc.

Resources Utilization

Resources are assets that an organization uses it achieve its business mission and vision (Soo-Young, 2009). Soo-Young, (2009) opined that resources include all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness. Also, resources are the tangible and intangible assets firms use to develop and implement their strategies (Ray, Barney, & Muhanna, 2004).

Utilization of resources in an organization is as important as the achievement of goals and objective. Akinsolu (2012) stated that organizational resources are an important factors in the functioning of organizations and the success of the organization depends on the resources and its effective uses.

Organization resources include the physical resources, financial resources, human resources, material resources and administrative resources (Tezera & Dewitt, 2017; Alimin, Raduan, Jegak & Haslinda, 2012; Akinsolu, 2012; Soo-Young, 2009). The financial resource is being seen as a crucial resource in achieving organizational mission and vision (Akinsolu, 2012). While Ezema (2010) believed that human resources is the most underutilized resources in an organization.

Organizational Flexibility

Flexibility implies being capability of multiple responses to an organization internal and external environment. Jonsson (2007) stated that flexibility means that organization can 'hire and fire' its employee at will due to weak labour-market regulations. Flexibility can also be seen as the degree which an organization are adaptable to administrative relations and the authority that are rested in situational expertise (Adonisi, 2003). Kozjek and Ferjan (2015) used functional flexibility, numerical flexibility, external flexibility, and internal flexibility organization flexibility to describe organization flexibility. Goodwin (2012) sees numerical flexibility as the capability of organizations and employers to regulate the number of its employees. Wachsen and Blind (2011) see numerical flexibility as external and internal numerical flexibility. Wachsen and Blind (2011) stated that external flexibility can be regarded as the ability of an organization to modify the number of workers to the activities in the organization through the use of diverse means of employment. To Wachsen and Blind (2011), internal flexibility described the ability of the organization to regulate its work to its business needs by changing its work time.

Eichorst, Feil and Marx (2010) differentiate between external and internal functional flexibility. The authors stated that external type includes qualified, trained, educated and competent individuals, who can adapt to structural changes. While the internal functional flexibility are the ability of organizations to respond to changes in demand with a flexibly organized working process, requiring skilled, well-trained and competent employees, who can perform multiple tasks.

Proactiveness

Proactiveness is an opportunity seeking, forward-looking perspective which involves the introduction of new products or services ahead of the competition and acting in anticipation of future demand to create change and shape the environment (Lumpkin & Dess, 2001). According to Javad, Alireza and Yaghoob (2015), *proactiveness* includes creating ideas, predicting focusing on the future, and preventing problems, effective communication, implementing new processes or introducing new products (Morris & Kuratko, 2002).

It was germane for modern organizations to be proactive. Proactive organizations were also able to create new opportunities for themselves by seeking actively to redefine their market; successful organizations in this vein benefits from increased levels of demand, higher levels of customer loyalty, and greater profitability (LawanShamsu & Fakhrul, 2015). Smith and Cao (2008) argued that proactive firms were in a better position to exploit existing opportunities through environmental

scanning to extract information that can be used to meet and satisfy the unserved markets. LawanShamsu and Fakhrul (2015) postulated that for the firm to take a leadership position within the industry there need to have a proactive behavior.

Risk Taking

According to Taylor (2013), Keh, Nguyen and Ng (2007) and Wiklund and Shepherd, (2005), risk taking refers to a inclination of an individual, group, or organization to take daring steps such as entering unknown new markets, committing a large portion of the firm's resources to undertakings with uncertain outcomes and/or borrowing heavily. Risk taking is the willingness to engage uncertainty and take the liability of responsibility for the future Chen, Yuan- Chang, and Chen (2007). Leko-Simic and Horvat, (2013) defined risk-taking propensity as a tendency to take or to avoid risks and it was based on individual characteristic.

Risk taking was also perceived as tendency towards risky projects (Mario, 2013). Risk-taking connotes a tendency to take courageous steps such as venturing into unknown and new market (Wiklund & Shepherd, 2005). It can also be associated with willingness to commit large amount of resources to a project which the probable cost and chances of failure were high (Keh, et al, 2007, Baker & Sinkula, 2009). It is the willingness and readiness to commit resources (own or borrowed) to pursue identified market opportunities that had a reasonable possibility of losses.

Corporate Image

Corporate image can be referred to as the perception of an organization reflected in association held in consumer memory (Zeithaml & Bitner, 2011). Polat (2010) stated corporate image includes: Quality image, programme image, infrastructure image, appearance image, social image, and general image. Corporate image was the consumer's response to the total offering and may be deemed as the sum of beliefs, ideas, and impressions that the public had of an organization (Boonpattarakon, 2012). Worcester (2009) and Arendt and Malte (2010) stated that corporate image was the net result of all experiences, impressions, beliefs, feelings, and knowledge that the public had acquired related to a company. Boonpattarakon (2012) defined the corporate image as a key factor in improving the performance of the company.

According to Adeniji, Osibanjo & Abiodun (2015), corporate image includes information and inferences about the company as an employee, employer, customer, community, supplier and as a corporate citizen. They further stated that since an organization corporate image affects stakeholders' behavior, they strive to develop and manage their image for many reasons among which were: Enhancement of the corporate competitive advantage thus leading to higher profitability; Promoting favorable relationship with the community in the environment they operate, else it may experience difficulty in recruitment, selection and maintaining the employee morale; Influencing investors and financial institutions; Establishing a corporate goodwill for the organization; Creating good identity for the employees thereby leading to their satisfaction; Stimulating sales, thus influencing customer loyalty; Promoting good relationship with the government, opinion leaders and various interest groups (Adeniji et al., 2012).

2.2 Empirical Review

Corporate Entrepreneurship Components and Corporate Image

The tendency of corporate entrepreneurship is oriented in achievement, anticipation, emphasis on taking initiatives, predicting changes towards organization image (Boohene, MarfoYiadom & Yeboah, 2012). As corporate entrepreneurial dimension, proactiveness is a forward-looking and seeking opportunity perspective that means that the firm acts in anticipation of future trends and demands with a motive of capitalizing on the opportunities for profit gain and firm image (Kropp, Lindsay & Shoham, 2015). In a similar study in Netherlands, Kraus, Rigtering, Hughes and Hosman (2012) survey among 164 SMEs found that proactive SMEs behaviour had a direct influence on SME performance during the economic crisis. On the contrary, in Kumarpeli and Semasinghe (2015) research on the impact of entrepreneurial orientation on the growth and image of SMEs in Sri Lanka. Their study found that the relationship between proactiveness, image and firm growth was not significant. Tang, Kacmar and Busenitz (2014), study proved that there exists a hierarchical relation between the components of corporate entrepreneurship, and he revealed that proactiveness was at the top which creates such an environment in an organization that the companies is more likely to be more innovative by such initiatives which can create differentiated value for the products and services of the organization, and also more risk taking by undertaking into unreliable activities to exploit external opportunities.

In related study, Rahman, Civelek and Kozubíková (2016) conducted a comparative study of MSE and SMEs on their proactiveness, innovation, competitive aggressiveness and autonomy. The study empirical results showed important differences among SMEs and Micro SMEs in regard to autonomy and proactiveness.

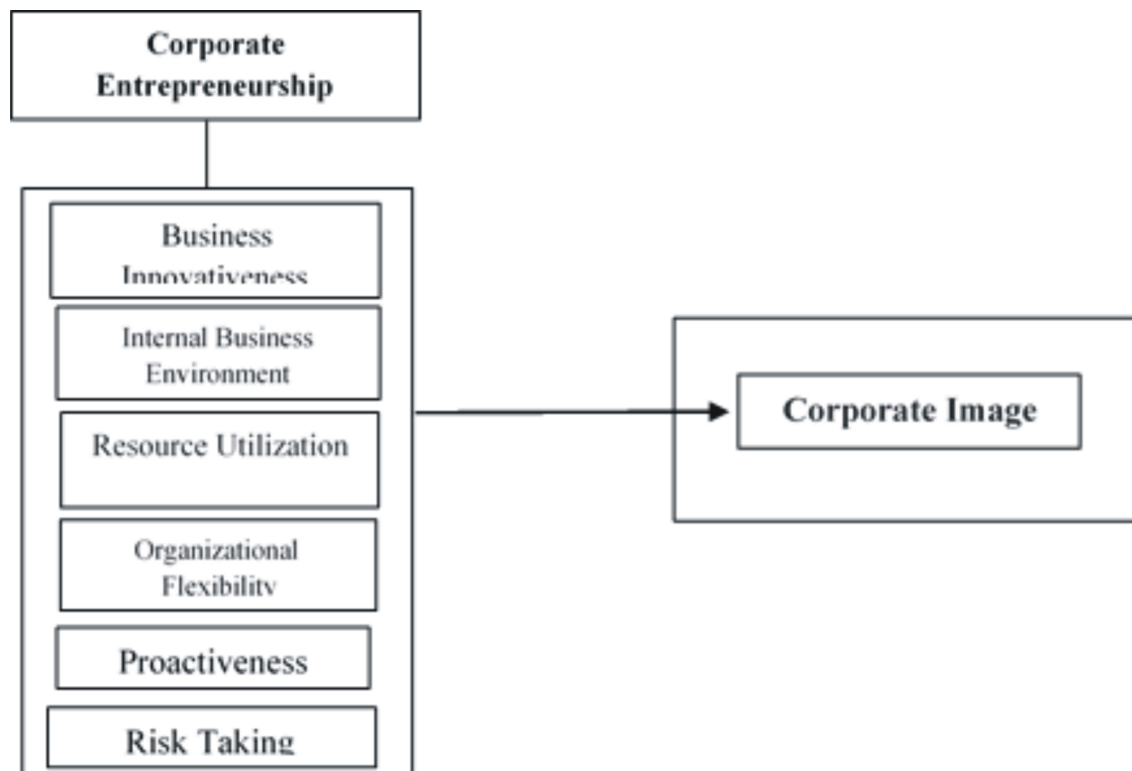
In Malaysia, Arshada, Raslib, Arshad and Zain (2014) research found that among the five dimensions of corporate entrepreneurship, proactiveness had the highest correlation with business performance and proactiveness had an effect on business performance. Corporate entrepreneurship has a significant effect on firm's profitability but has no significant relationship with firm's growth. Other studies (Antoncic & Hisrich, 2014; Steffens, Davidsson & Fitzsimmons, 2015) found direct influence of corporate entrepreneurship orientation and activities on both profitability and growth.

2.3 Theoretical Framework

This study adopted Resources-Based View (RBV) Theory and Entrepreneurship Innovation Theory as baseline theories for this study. The justification for these theories employed in this study were based on their theoretical explanation on the study variables; According to Lee (2016), the RBV is perhaps the dominant theoretical perspective within strategic management and it is a major perspective in the entrepreneurship field as well. Entrepreneurship Innovation Theory stated that entrepreneurship was about combining resources in a new way such as introducing new products,

new method of production, identifying new source or source(s) of raw materials/inputs and setting a new standard, either in the market or in the industry that alters the equilibrium in the economic system. Other theorists had defined entrepreneurship as the ability to channel creative innovations into ventures that had value as well as ability to create and sell new ideas and building new businesses (Wood et al. 2004).

Conceptual Framework



Source: Researchers' conceptualization (2021)

3.0 Methods

The study employed survey research design and six leading food and beverages companies were selected in Nigeria (Chi Limited, Imit Nigeria Limited, Nestle Nigerian Plc, Nigerian Cereal Processing Co Limited, Sunny Foods and Beverages Limited and UAC Food and Beverage Limited) who controls 93% of the total market share of the entire listed food and beverages industry. The total population was 2,786 employees and multi-stage sampling techniques with sample size of 642 determined by Cochran formula. A well-structured questionnaire was adapted, the questionnaire was divided into four sections. Section A focused on demographic information. Section B was on the multidimensional variables of Entrepreneurial Orientation; innovativeness, competitive aggressiveness, proactiveness, risk taking and planning flexibility respectively. Finally, section C focused on performance measures (corporate image) and instrument was subjected to content &

construct validity, . The Cronbach's alpha reliability coefficients for the constructs ranged between 0.710 and 0.881. The response rate was 92.2% and data analysis for this study was done in two stages: the descriptive and inferential analysis. The first stage (the descriptive analysis) featured descriptions of the properties of the data to show the variations in responses of the study's participants using such tools as frequencies and percentage distribution tables, bar charts, means and standard deviations. The second stage (the inferential analysis) was the analysis of the responses on the quantitative data and the relationships. This was carried out using statistical tools of multiple regression method of analysis using SPSS (Statistical Package for Social Sciences) software version 22.0 to test the effect link between the independent variables on the dependent variable. The multiple regression method of analysis was used for hypotheses testing.

3.1 Model Specification

$$Y = f(x_1, x_2, x_3, x_4, x_5, x_6)$$

$$Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \beta_5 x_5 + \beta_6 x_6 + \epsilon_i$$

$$CI = \beta_0 + \beta_1 BI + \beta_2 BE + \beta_3 RU + \beta_4 OF + \beta_5 P + \beta_6 RT + \epsilon_i \text{----- Eqn 1}$$

Where; Y = Corporate Image (CI)

X = Corporate Entrepreneurship (CE)

$$X = (x_1, x_2, x_3, x_4, x_5, x_6)$$

And where

x_1 = Business Innovation (BI)

x_2 = Business Internal Environment (BE)

x_3 = Resources Utilization (RU)

x_4 = Organizational Flexibility (OF)

x_5 = Proactiveness (P)

x_6 = Risk Taking (RT)

β_0 = constant of the equation or constant term

β_1 - β_6 = Parameters to be estimated

ϵ_i = error or stochastic term

4.0 Results and interpretation

There is no significant effect of corporate entrepreneurship dimensions on corporate image of selected food and beverages manufacturing companies in Lagos State.

A multiple linear regression analysis was used to test the hypothesis. In the analysis, the dependent variable was corporate image while the independent variables were; Business innovation, internal business environment, efficient resources utilization, organizational flexibility, proactiveness and risk taking. The regression results are presented in Tables 1a-1c.

Table 1a: Regression Results of Effect of Corporate Entrepreneurship Dimensions on Corporate Image

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.976 ^a	.952	.951	2.86666
a. Predictors: (Constant), Risk Taking, Organizational Flexibility, Business Innovation , Resources Utilization , Pro-activeness, Internal Business Environment				

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	94881.057	6	15813.510	1924.316	.000 ^b
	Residual	4807.373	585	8.218		
	Total	99688.431	591			
a. Dependent Variable: Corporate Image						
b. Predictors: (Constant), Risk Taking, Organizational Flexibility, Business Innovation , Resources Utilization , Pro-activeness, Internal Business Environment						

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.086	.394		.219	.827
	Business Innovation	.269	.048	.242	5.546	.000
	Internal Business Environment	.349	.045	.425	7.766	.000
	Resources Utilization	.202	.055	.159	3.664	.000
	Organizational Flexibility	.328	.018	.109	6.126	.000
	Pro-activeness	.122	.047	.111	2.577	.010
	Risk Taking	.098	.045	.113	2.176	.030
a. Dependent Variable: Corporate Image						

Source: Researcher's Field Survey Results (2021)

Table 1a shows the regression result to establish effect of business innovation, internal business environment, resources utilization, organizational flexibility, proactiveness and risk taking on corporate image. The result shows an adjusted R-Square of 0.951 which implies that 95.1% of the variations in corporate image of selected companies is accounted by model. However, the regression did not explain 4.9% of the variation in corporate image which was not captured in the model. This implies that the model fits the data well; indicates that total variation in corporate image is jointly explained by variation in business innovation, internal business environment, resources utilization, organizational flexibility, proactiveness and risk taking up to 95.1%. In the results organizational flexibility was not significant and so was removed from the results. Further, the test for the overall significance of the model, the ANOVA of the F-statistics was statistically significant ($F=1924.316$, $p<0.05$). This implies that the regression of business innovation, internal business environment, resources utilization, organizational flexibility, proactiveness and risk taking on corporate image is statically significant at $p<0.05$ level of significance. Using the statistical results the regression model can be fitted as follows:

$$CI = 0.086 + 0.242BI + 0.425BE + 0.159RU + 0.111PR + 0.113RT \dots \dots \dots \text{eq. (1)}$$

Where: CI = Competitive Image; BI = Business Innovation; IBE = Internal Business Environment; RU = Resources Utilization; PR = Proactiveness; RT = Risk Taking

Equation 1 presents the model's coefficient values from the regression. The regression equation above shows that taking all factors into account (business innovation, internal business environment, resources utilization, proactiveness and risk taking) constant at zero, the corporate image of selected food and beverages manufacturing companies in Lagos State was 0.086. This implies that without business innovation, internal business environment, resources utilization, proactiveness and risk taking, selected food and beverages manufacturing companies, corporate image of the companies was realized at 0.086. The result suggests that there other factors which might still explain the corporate image of selected food and beverages manufacturing companies. The results also show that business innovation, internal business environment, resources utilization, proactiveness and risk taking were positively correlated with corporate image of selected food and beverages manufacturing companies.

The results further reports that a unit increase in business innovation lead to a 0.242 increase in corporate image of selected food and beverages manufacturing companies, a unit increase in internal business environment lead to a 0.425 increase in corporate image, a unit increase in resources utilization lead to a 0.159 unit increase of corporate image, a unit increase in proactiveness lead to a 0.111 increase of corporate image of selected food and beverages manufacturing companies, and unit increase in risk taking results into a 0.113 increase of corporate image of selected food and beverages manufacturing companies. The results further reported that the coefficients are business innovation ($\beta = 0.221$, $t = 5.546$, $p<0.05$), internal business environment ($\beta = 0.344$, $t = 7.766$,

$p < 0.05$), resources utilization ($\beta = 0.163$, $t = 3.664$, $p < 0.05$), proactiveness ($\beta = 0.163$, $t = 2.577$, $P < 0.05$), and risk taking ($\beta = 0.155$, $t = 2.176$, $P < 0.05$) are statistically significant. In the regression results, the corporate entrepreneurship variable that had the greatest and significant effect on the corporate image of selected food and beverages manufacturing companies in Lagos State was internal business environment ($\beta = 0.344$, $t = 7.766$, $p < 0.05$), followed by business innovation ($\beta = 0.221$, $t = 5.546$, $p < 0.05$). In testing the hypothesis, the regression coefficients should be significantly different from zero. Therefore, since most of regression coefficients were significant and also statistically difference from zero as shown in Table 1c, the null hypothesis (H_0) which states there is no significant effect of business innovation, internal business environment, efficient resources utilization, organizational flexibility, proactiveness and risk taking on corporate image of selected food and beverages manufacturing companies in Lagos State was rejected.

Discussion

The objective sought to investigate the effect of corporate entrepreneurship components on corporate image of selected food and beverages manufacturing companies in Lagos State. The study revealed that the null hypothesis (H_0) which states that there is no significant effect of business innovation, internal business environment, efficient resources utilization, organizational flexibility, proactiveness and risk taking on corporate image of selected food and beverages manufacturing companies in Lagos State was rejected. This indicated that corporate entrepreneurship components have positive and significant effect corporate image but organizational flexibility shows negative significant effect on corporate image. Diverse studies have shown that business innovation, internal business environment, efficient resources utilization, organizational flexibility, proactiveness and risk taking have positive and significant effect on corporate image (Bartolacci, Castellano & Cerqueti, 2015; Mukutu, 2017; Nybakk & Jenssen, 2012; Jenssen & Nybakk, 2016; Jenssen & Åsheim, 2017). There are other studies such as (Boohene, MarfoYiadom & Yeboah, 2012; Kropp, Lindsay & Shoham, 2015; Kumarpeli & Semasinghe, 2015; Rahman, Civelek & Kozubíková, 2016) revealed that efficient resources utilization, proactiveness and risk taking have positive and significant effect on corporate image. On the other hand, Arshada, Raslib, Arshad and Zain (2014) found that entrepreneurship has negative relationship with firm's growth. Considering the majority of findings that corporate entrepreneurship dimensions have positive and significant effect on corporate image, this study rejected the null hypothesis (H_0) that there is no significant effect of corporate entrepreneurship components on corporate image of selected food and beverages manufacturing companies in Lagos State.

Consistently, the theory of *Entrepreneurship Innovation supported our finding* that entrepreneurship is about combining resources in a new way such as introducing new products, new method of

production, identifying new source or source(s) of raw materials/inputs and setting a new standard, either in the market or in the industry that alters the equilibrium in the economic system. According to Schumpeter (1934, 1942) entrepreneurship is about combining resources in new ways such as introduction of new products with better attractions, new methods of production, discovery of a new market(s), identification of new source (s) of supply of raw materials and alteration of existing market arrangements through innovation, proactiveness, risk taking and flexibility that brings about radical changes in the market. Based on these past empirical findings and theoretical support, this study rejected the null hypothesis (Ho) that there is no significant effect of corporate entrepreneurship components on corporate image of selected food and beverages manufacturing companies in Lagos State.

Conclusion

The findings of the study showed the disposition of the food and beverage companies towards corporate entrepreneurship components and organizational development in Nigeria.

This was also contained in the literature review and the conceptual framework of this study which suggest a positive and significant effect between corporate entrepreneurship components and organizational development; even though not all food and beverage companies are favourably disposed to deploying corporate entrepreneurship components. Corporate entrepreneurship components is a wide-ranging and complex process, the result of interactions between several factors, including workers behaviour, customers and clients, competitors, suppliers, the market, research centers, and other knowledge producing institutions. Corporate entrepreneurship components may indeed improve corporate competitiveness and development; however, so as to come true, it requires a set of different management knowledge, practices and skills. Overall, there is clear evidence of a link between corporate entrepreneurship components and organizational development. Majority of studies showed a positive and statistically significant effect of corporate entrepreneurship components on organizational development. This is consistent with the findings of this study.

Recommendations

Sequel to the findings of this study, corporate entrepreneurship components serve as a vital instrument in modern management and marketing to persuade at point of sale for consumer goods, particularly, in the competitive food industry. Therefore, the marketing managers and the marketing department should develop more proactive so as to increase corporate image.

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EQUITY ACCESS UNDER NATIONAL HEALTH INSURANCE SCHEME (NHIS) AND ITS IMPLICATIONS ON CONSUMER SATISFACTION WITH HEALTH SERVICES IN BAUCHI STATE

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ABSTRACT

This research examines the impact of national health insurance scheme (NHIS) and its implications on health services in Bauchi state with a coverage period of 2013-2018. The focus is on the formal sector and primary healthcare services. The objective was to examine the implications of equity access as it relates to enrollee satisfaction with the policy. The variable was arrived at after a literature mapping and review exercise. The study adopted a quantitative approach (primary methods) of data collection via survey questionnaires, administered to relevant establishments. Justice theory was used as the theoretical framework for the research. Sample frame is 66,405 being the total registered NHIS enrollees in Bauchi state as at August, 2020. While sampling technique used was Krejcie and Morgan table for sample size. Data were analyzed using Correlation via Statistical Packages for Social Sciences (SPSS). Findings of the study indicate that the variable has significant impact on consumer satisfaction under NHIS primary healthcare facilities in Bauchi State. It is also clear that the management of the predictor variable will lead to an enhanced customer satisfaction. The research recommends among others the need to improve on the level of Equitable Accessibility on the services of NHIS primary health care facilities in the state which will thereby improve the level of consumer satisfaction with health services.

Keywords: Bauchi state, Equitable access, Formal sector, Health services, NHIS

INTRODUCTION

The numerous kinds of NHIS or health insurance models/ideals have advanced into mature Social Health Insurance (SHI) systems. Enrolees, and in some situations their employers are also required by law to pay contributions. The contributions are usually through taxation like it is found in Canada, Australia, Thailand, United Kingdom, or through separate charges/levies. In Singapore for example citizens and residents gainfully employed are required to contribute funds to a dedicated provident pool/fund. Likewise, by employer contributions a share of individual's contribution is placed in a Medisave account and can be drawn for healthcare payments. These numerous policies/schemes in different countries of the world cover an array of facilities available to the insured with their dependents (Anita, & Yong, 2015).

Many government administrations also contribute to their nation's healthcare systems to ensure or improve financial sustainability, as well as cover segment of the populace that would not be able to pay out of pocket (OOP) for healthcare (Doetinchem, Carrin, & Evans, 2010). In China, their urban employee basic medical insurance program (UE-BMI) launched in the year 1998, requires urban employers of labour and employees of the private and or public enterprises to participate in the program managed by the municipal level (Barber & Yao, 2010). The most recent scheme in China, the urban resident basic medical insurance (UR-BMI), launched and rolled out in 2007 is a voluntary policy/scheme engaged in registering students, children, the physically challenged, non-working urban residents, and the elderly (Anita, & Yong, 2015).

In spite of similar simple ideas, there have been substantial differences in how social health insurance schemes have advanced through states. Collections are set aside in a single fund as in Italy or certain competing funds such as the “sickness funds” of Germany (Thomson, Squires, & Jun, 2013). Such funds could be managed by public sector like in Australia, while the private sector as practiced in Switzerland, and Netherlands. Otherwise, blends of both like that of Japan that is having a blend of noncompeting public, quasi-public, and also employer-based insurers. But for the national health insurance, contributions are not usually different with health status, that financial risks for paying healthcare needs are shared between the populaces. Several methods of compensating providers can be acknowledged, from the unrestricted service charge like in United States of America to contracting of the negotiated rates like in Netherlands (Doetinchem et al. 2010).

2. LITERATURE REVIEW AND THEORETICAL REVIEW

Literatures relevant to the topic will be empirically reviewed in order to find out what has been done so far, the processes adopted and their limitations (processes and findings). This calculated exercise would help find a gap or gaps (untreated areas/areas requiring further research). However, it must be stated that the researchers search through Google web search and even Google scholar platform failed to show any evidence of an academic research on the topic that was previously carried out.

Okoro, Nmeko, and Erah (2017), carried out a study investigating drug use practices and general prescription arrangement in NHIS at a Tertiary Hospital in Nigeria. In retrospect, indiscriminately sampled 1,200 out-patient's NHIS prescriptions were assessed by means of World Health Organization essential drug use pointers. Prospectively, a conveniently tested 120 patients all at General Out-Patient Department (GOPD) clinic, NHIS GOPD distributing pharmacy channels were observed for the duration of consultations and put questions to before departing pharmacy to measure the patient care pointers. Data were analyzed by means of descriptive statistics and autonomous sample test.

An average amount of drugs for each prescription come across with an antibiotic and drug

given by generic name from NHIS needed drug list were 4.2 ± 1.8 , 31.6%, 52.8% and 66.1% respectively. NHIS and GOPD dispensing pharmacy channels, the pharmacists' normal prescriptions valuation time were 9.24 seconds and 64.03 seconds with substantial difference ($P < 0.05$), whereas the average medication counselling time were 15.6 seconds and 34.7 seconds respectively with significant difference also ($P < 0.05$). Allotted drugs that were properly labelled were greater in NHIS than in GOPD (62.0% vs 20.4%). Patients' exact drug dosage information was also greater in NHIS than in GOPD (37.5% vs 23.3%).

Poor drug usage practices as well as poly-pharmacy, overdoing or use of antibiotics, absence of observance to generic prescription, little or no compliance to NHIS important drug policy, insufficient prescription assessment, insufficient patients' medicine advising, partial tagging of drugs, and insufficient patients' information of right drug dose were obvious. The antihypertensive drugs were the most given drug class. Findings of the study have delivered leading proof of irrational drug usage in South East of Nigeria under NHIS.

On the positive side the research was able to determine that an “irrational drug use in NHIS” exists in that tertiary health facility. However, the findings of one facility cannot be the basis for categorizing the South-East of Nigeria as having the same problem or challenge. The study also failed to determine in clear terms if equity access to health services is comparable to out of pocket patients.

In his Doctoral thesis Oparah (2018), - “Service Quality: An Empirical Study of Expectations versus Perception of National Health Insurance Scheme Enrolees in Federal Universities in South East, Nigeria,” which describes service excellence to anticipations of customers against views of Healthcare Workers in the provision of healthcare services under National Health Insurance Scheme (NHIS). By means of a questionnaire built on 22-question revised form of SERVQUAL was considered to acquire data about expected versus perceived ranks of service excellence from customers. Another 22-question tool looking for healthcare workers' views of expectations of customers was developed. Data collected were compared and determines that customers perceived substandard quality of service from their healthcare providers under NHIS.

The work of Oparah (2018) shows the link between consumer expectations, and quality of service towards attaining satisfaction or otherwise by consumers. However, being a marketing student the research dwelled more on marketing lapses of the policy between HMOs and HCPs (marketing and supply of drugs etc). The study was also limited to the “Expectations versus Perception of National Health Insurance Scheme Enrollees in Federal Universities in South East, Nigeria.”

Onyedibe, Goyit, and Nnadi, (2012) in their study having the objective of finding out the percentage of Nigerian grown-ups enrolled in the NHIS, contentment with the value and obtainability of services inside the NHIS and issues accountable for miserable health indices in the Nigeria in spite of the scheme. Prepared questionnaires were administered randomly to 200 respondents in Jos city.

Findings show 24% of adults was enrolled in the NHIS. Remarkably, 82% of enrolled respondents were cognisant of NHIS and favour it over OOP system. There was a number of displeasure with the scheme (26% of enrollees). Causes of these displeasures were poor registering services, poor referral structure, long delays in getting necessary services and absence or non-coverage of certain essential services. Chi Square tool for analysis determined there was direct relationship amongst the percentage of enrollees and reduced health indices of the public.

Looking at the study by Onyedibe, Goyit, and Nnadi, (2012), it could be seen that several limitations exits in the following aspects of the study: 200 questionnaires were administered without any sampling technic adopted, a study with 200 respondents in Jos metropolis alone will not result in findings that could be validated for the whole country as sought by the researchers.

Osuchukwu, Osonwa, Eko, Uwanede, Abeshi, Offiong, (2013) research intended to appraise the effect of National Health Insurance Scheme (NHIS) on healthcare customers of Calabar city. A pre-tested, 43 itemed questionnaires prepared and administered to 200 persons by means of household survey and patient exit survey means. The study result indicated respondents were largely males (58.0%), of the Christians faith (94.5%), married (56.0%), civil servants (39.5%), with tertiary level of training (60.5%) and 30-34 years of age (27.5%). An equitable section of the respondents 89.0% were mindful of the NHIS nonetheless registration into the scheme was merely 37%. Insufficient data on the scheme, poor provision of healthcare and absence of confidence on scheme running were substantial obstacles to registration with the scheme. NHIS has a progressive influence on health pursuing behaviour, use of maternal healthcare and decreasing out-of-pocket spending for health services. Around 72% of the respondents conveyed contentment with the performance of the NHIS, while persons who were discontented with the NHIS performance proposed it ought to be restructured.

However, this study was limited to respondents' knowledge and membership of the NHIS, health pursuing behaviours and use of health amenities among respondents (insured and uninsured), utilization of maternal health services by female respondents, perception of consumers (insured and uninsured) towards the scheme and services delivered.

A study carried out in Kano, evaluated satisfaction and utilization for healthcare services on consumers of Aminu Kano Teaching Hospital, Kano (AKTHK). It was a study of consumers registered with the NHIS clinic. Most consumers were satisfied with the easy access to care, waiting time, and hospital facilities. Most of them were also satisfied with their interactions with Doctors, nurses, laboratory personnel, and other hospital staff. Overall, 80.5% of consumers were satisfied with the Aminu Kano Teaching hospital's services (**Yusuf, Jibo, Sunusi, Bukar, Auwal, Godpower, 2018**).

The Kano study is indeed a good attempt at evaluating satisfaction and utilization for healthcare

services on consumers. However, limiting the study to Aminu Kano Teaching Hospital makes the findings not strong enough for generalization with respect to NHIS satisfaction in kano state or outside of the state.

However, it is noteworthy that none of the studies was conducted in the North-East of Nigeria not even Bauchi as a state.

A Theory of Justice

John Rawls was a political philosopher following the liberal tradition. His theory of justice steered the renewal of importance in political philosophy in the contemporary world. The theory was expressed in ideas of justice as fairness in two principles of justice that he put forward:

The first principle is posits that every individual has the equal infeasible right to a sufficient scheme of the same basic freedoms and well-suited with the identical scheme of rights for all.

His second principle advances that social and economic disparities are to fulfil dual requirements:

- i. To be linked to offices and positions exposed to everyone under circumstances of *unbiased equal opportunity*,
- ii. To be to the highest advantage of the least-advantaged of society also referred to as the *difference principle* (Rawls, 1999)

The leading principle of the same basic freedoms is to be utilized to design the political composition, however the additional principle relates mainly to economic bodies. Accomplishing the leading principle has priority above fulfilment of the other principle. Also, the subsequent principle of fair equal opportunity takes precedence above the difference principle. Thus, principle number one upholds for every person's basic human rights and liberties such as right of conscience and freedom of association, the voting rights, holding of public office, fair treatment under the rule of law, freedom of speech and liberty of persons amongst others. Hence the principle assigns rights and liberties to all people in the same way. Uneven privileges would not profit persons who would get a lesser share of rights. Therefore, justice necessitates equal rights for everyone in normal state of affairs (Dutta, 2017).

Rawls theory is relevant to the study as it gives backing to the NHIS as policy trying to ensure justice through fairness and equity. Majority of people in Nigeria cannot afford healthcare out of pocket but deserve it based on the theory of justice, hence the need for a NHIS policy to ensure all citizens get access (equity access) to healthcare. Because all people deserve equity accesses to healthcare under NHIS like those that can afford medical treatment out of pocket (OOP).

3. OBJECTIVE

- i. Examine the equitable access to healthcare services for NHIS consumers under primary healthcare facilities in Bauchi state.

4. HYPOTHESIS

- i. Equity has significant influence on consumer satisfaction with health NHIS under primary healthcare facilities in Bauchi state.

5. METHODOLOGY

The research is designed based on the quantitative approach; utilizing survey design of Likert five scale questionnaire. The survey design adopted was chosen for since the design uncovers, interprets and integrates information, including points to their implication in interrelationships (Cohen & Manion, 1986). It allows for random sampling and the use of questionnaires. It is also utilized to study people's attitude, feelings and opinions (Babbie, 1985). The survey approach using questionnaire is believed to be the most appropriate technique in collecting the primary data as noted by Olakunle (2004), Sekaran (2000) and Yang (2010).

Thus, the quantitative aspect of the research design is based on a structured questionnaire, aiming to use correlation analysis via Statistical Packages for Social Sciences (SPSS). Why? Because it is a method of carrying out statistical evaluation utilized to study the strength of a relationship between two numerically measured, continuous variables. This analysis is also useful when the researcher wants to establish if there are possible connections between variables. Sample size from the population is 382 persons based on the Krejcie and Morgan table for determining sample size. This is considering the population – 66,405 (registered NHIS enrollees for Bauchi state as at August, 2019). A total of 382 questionnaires were administered to the respondents across the state.

Table 1 Correlations Analysis

		COMSU	EQUITY
Pearson Correlation	COMSU	1.000	.642
	EQUITY	.642	1.000

Three hospitals, one from each senatorial district was selected to have basis for generalization of results. They are 1. General hospital, Tafawa Balewa (Bauchi south) with 127 samples, 2. Federal medical centre, Azare (Bauchi north) 127 samples, and 3. Bauchi state specialist hospital, Bauchi (Bauchi central) with 128.

For this study, a total of three hundred and eighty two (382) questionnaires were administered by the researcher, with the help of research assistants. Three hundred and fifty-two (352) were duly filled and returned.

5. PRESENTATION OF RESULTS

Correlation Analysis

The correlation matrix seeks to determine the relationships that exist between variables used in the research. Table 1 indicates the relationship that exists between implementation of NHIS and its implications on health Service in Bauchi State. The relationship between COMSU and EQUITY is positive at 0.642, this means that an increase in Equity of Access of health services lead to increase in Consumer satisfaction with health services and vice versa. This is actually obvious that Hospitals with high Access to health services are expected to have a high level of consumer satisfaction on the health services render to them.

In conclusion, from the computed result, the correlation coefficient between EQUITY of Access and COMSU is found to be significance at 5% level. For this reason it was concluded that there is a strong positive relationship between Equity of Access and Consumer satisfaction with health services.

5.1 Hypothesis testing

Hypothesis was validated using the result of regression analysis in the table II below to determine the relationship among the variable under investigation (Consumer Satisfaction with Health Services of NHIS Hospitals in Bauchi State).

Table II Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.255	.239		13.634	.962
	EQUITY	.367	.081	.354	5.944	.000

Source: Author's Computation using SPSS, 2021

1. Equity Access and Consumer Satisfaction with Health Services

Hypothesis 1:

H₁: Equity has significant influence on consumer satisfaction with health NHIS under primary healthcare facilities in Bauchi State. The regression result shows a coefficient of $\beta_1 = 0.367$; $p = 0.000$ indicates a positive and significant relationship between Equity and consumer satisfaction with NHIS under primary healthcare facilities in Bauchi State. Since p - value = 0.000, which is less than 0.05, the model is significantly fit and therefore the result of this supported the Alternative Hypothesis (H₁) that Equity has significant influence on consumer satisfaction with NHIS under primary healthcare facilities in Bauchi State. The Alternative hypothesis (H₁) is accepted and the Null hypothesis (H₀₁) which states Equity has no significant influence on consumer satisfaction with health NHIS under primary healthcare facilities in Bauchi State is here by rejected. This implied that there is significant relationship between Equity and consumer satisfaction under NHIS primary healthcare facilities in Bauchi State.

6. DISCUSSION OF FINDINGS

The impact of implementation of NHIS and its Implications on Health Services in Bauchi Sate the regression result are presented below.

1 Equity and Consumer Satisfaction with Health Services.

Findings from the analysis reveal that the **Equity** has positive and significant impact on consumer satisfaction under NHIS primary healthcare facilities in Bauchi State. This suggests that there is average equitable Access of health services by consumers under NHIS primary healthcare facilities in Bauchi State at a significant level. The relationship between Equity and consumer satisfaction with health services is also significant because of varying reasons despite the fact that, there are limited numbers of NHIS primary healthcare facilities in Bauchi State. Equity Access is an important variable affecting consumer satisfaction on health services particular in Bauchi State. Once an NHIS primary health care Centre gives fair access to consumers it will also look for ways of expanding its scale of operations and thus increase consumer satisfaction with health services. Once NHIS primary healthcare facilities centre becomes more accessible, the satisfaction of consumers will increase. Therefore, Equity access can be relevant and reliable because the coefficient regression result is significant.

Conclusively, this result implies Equity significantly influenced consumer satisfaction with NHIS health services in Bauchi State. The result is in line with the findings of previous studies, **which**

reveals that Equity has a significant relationship with consumer satisfaction on health services (Oparah, 2018, Kurfi and Aliro, 2017: Mohammed *et al*, 2011: Abdulqadir 2012: Onyedibe *et al*, 2012).

7. CONCLUSION

This study was undertaken to explore the impact on the implementation of NHIS and Its Implementation on health services. The study used a sample of 382 respondents from the three senatorial zones in Bauchi State for the period 2013 -2018. The analysis is performed on the data collected in course of study made which is mainly the formal sector within the primary health care centers in Bauchi State.

The finding indicates Equity access has positive and significant impact on consumer satisfactions with health services. This means there are still needs to improve on the Accessibility of health care services under NHIS primary health facilities. The implication of this finding is that consumers are given the average access or there could be preference on the level of consumers that the services of NHIS are offered

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MANAGERIAL RELATIONS AND EMPLOYEES' PERFORMANCE IN SELECTED PRIVATE SCHOOLS IN THE FEDERAL CAPITAL TERRITORY ABUJA

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ABSTRACT

Over the years, employee performance has been evaluated and measured by organizations using various means especially in the educational sector owing to the fact that teachers contribute immensely to the overall performance of students. This study examined the relationship between managerial relations and employee's performance of selected private schools in the Federal capital territory (FCT) Abuja. The study used expectancy theory to explain how individual employees make choices from the possible options available which also affect their behavior. A survey of 146 employees derived from 15 private schools in the FCT. The collated data from respondent's questionnaires were analyzed using Spearman Rank Correlation Coefficient. From these, the formulated hypotheses was tested. Results of the analysis showed that all dimensions of managerial relations and employee performance have a strong and positive correlation. The study concludes that managerial relations can be associated to employee performance of private schools in FCT Abuja. Consequently, the study recommended amongst others that managers of private schools should focus on recognizing employees who are believed to have performed excellently to increase their willingness to perform more.

Keywords: Managerial relations, employee involvement, employee recognition, employee performance.

INTRODUCTION

In all competitive society, organizational survival whether profit or non-profit largely depends on its capacity to lead her employees to be creative, attentive, committed which invariably will increase performance/chances of higher competitive advantage. Over the years, employee performance has been evaluated and measured by organizations using various means especially in the educational sector owing to the fact that teachers or educational staff- non-teaching contributes immensely to the performance of organization. An indispensable asset of any organization are its employees and are critical for high competitive advantage including actualization of goals in the organization (Houger, 2006). As noted, the importance of employees cannot be over emphasized in organizations,

individual employees need to be physically present to render educational services to the students. Similarly, *Haftkhavania, Faghiharamb, and Araghieh (2012)* noted that the educational system is notable to make progress geared towards enhancing development of in the society, with the aid of schools and teachers. However, Vincent, Specioza, Ritah, & Sarah (2020) observed that even the areas where huge resources has been claimed to have been invested, the public and parents still complain poor academic performance of teachers which raises the questions of what is responsible?. In consonance, Bunjo (2016) agreed that the educational sector records showed that schools especially in rural areas are continuously expressing under performance in both local and national examinations with narrow chances of gaining admissions into the university system. In other words, secondary schools in rural areas tend to have low opportunity to enjoy the dividends of quality educational services which are due to inadequate managerial relations and attention to teachers in these areas.

In addition, *Duah and Danso (2017)* noted that managerial relations have been a part of management terms that is explained using different concepts like workplace relations, labor relations, industrial relations etc. The authors observed that employees and managerial relations establishes a direction to various staff matters, such as performance matters, disciplinary issues, leaves of absence, employee or workers grievances/complaints and other work-related matters. Similarly, Shanock and Eisenberger (2006) noted that managerial support forms a cogent element of managerial relations and its inadequacy would lead to reduced organizational commitment and cause lower levels of performance and higher levels of employee turnover including absenteeism, and workers' stress. In other words, employee relations could play vital role regarding the performance of workers in a work place.

In addition, various studies have deemed it necessary to investigate the relationship between managerial relations and employee performances such as Vincent, Specioza, Ritah, and Sarah (2020) conducted a study on “Association between remuneration and employee performance: the case of teachers in private secondary schools in Buikwe District, Uganda.” The study made ample effort to investigate what affects teachers' performance but did not consider some non-monetary managerial elements like teachers' involvements and recognition instead focused more on remuneration. Also, Atambo, Kabare, Munene, and Nyamwamu (2012) studied “enhancing the role of employee recognition towards improving performance: a survey of kenyattanational hospital, Kenya.” The studied focused more on employee recognition and failed to take a holistic view of managerial relations which creates a knowledge gap. Ekpoh, Edet, and Nkama (2013) examined “Staff development programmes and secondary school teachers' job performance in Uyo metropolis, Nigeria” in a sample of 1800 students and data analyzed using independent t-test at at 0.05 level of significance. Ample efforts were made to understand the role of staff development as a core aspect of managerial relations and how it relates to employee or teachers' performance yet, the

study did not specify certain managerial relations such as employee involvement and recognition leaving out their effects in the model. Invariably, most of studies have not really investigated the relationship between managerial relations and employee performance in context of selected secondary schools in the Federal Capital Territory which creates a knowledge gap that present study seeks to examine.

Statement of Problem

Over the years, studies have observed that employee performance or outcome has been given less attention in organizations than the organizational performance implying poor attention to employees in favor of the organization itself (Boxall & Macky, 2009). Similarly, *Wasiu and Adebajo (2014)* observed that teachers' motivation for efficient performance in the educational systems has not always received better attention despite the policies made. Observably, employees in private schools are victims of negligence in Nigeria at large which could be traced back to countless strikes and lousiness of workers in attending to students as quick as possible. Lack of attention to employee warfare leads to increased absenteeism and lack of punctuality which lead to poor public service and serves as a detriment to the organization in general. The current study is inclined that an appropriate managerial relation such as employee involvement and employee recognition could correlate with employee performance of private schools in the Federal Capital Territory Abuja.

Research Hypotheses

H₁: There is no significant relationship between employee involvement and low absenteeism of private schools in the Federal Capital Territory Abuja.

H₂: There is no significant relationship between employee involvement and punctuality of private schools in the Federal Capital Territory Abuja.

H₃: There is no significant relationship between employee recognition and punctuality private schools in the Federal Capital Territory Abuja.

2.0 Review of Related Literature

Theoretical Frameworks

This study is anchored on expectancy theory propounded by Victor Vroom in 1964. The expectancy theory made effort to explain how individual employees make choices from the possible options available which also affect their behavior and effort. Also, the theory, assumes that consequences, outcomes, or results are part of the core variables affecting both short-term and long-term behavior of individuals (Vroom, 1964; Torrington, Hall, & Taylor, 2008). Claydon and Beardwell (2007) noted that the expectancy theory allows individual to put in effort and skill on a task with respect to the fact that there are possible options available. Further, Vroom (1964) holds that the expectancy theory is basically anchored on two founded on two variables- the valence, which viewed value outcomes, and the expectancy which explained probability as the behavior of individuals via effort and action will result into the desired outcomes. Similarly, Lawler (2003) identified two other assumptions that

underpins the theory to include- that the employees are motivated to receive positive outcomes at the same time avoid negative outcomes and secondly, employees are logical and careful processors of information. Also, Poulikas (2009) and Botshabelo (2009) opined that the relevance of expectancy theory is beckoned on the fact that employees could be empowered on the higher value placed on rewards and the probability of the rewards recurring, in organizational activities. In other words, the theory exposes manager to the understanding of what propels behavior with the organizational frameworks. Hence, the theory is adopted for the present study.

Managerial Relations

Managerial relations have been a part of management terms that is explained using different concepts like workplace relations, labor relations, industrial relations etc. Managerial relations are among methods used for improving workers and organization performance in the work place (Gupta, Bostrom, & Huber, 2010). Managerial relations came from the concepts of management which entails getting things done through and with other persons involved in the process (Koontz & Weihrich, 2009). Further, Griffin (2009) noted that management could be explained based on its major functions such as planning, organizing, direction, controlling, and thus relations is part of the organizing aspect of management. Managerial relations as a study includes rules, regulations and agreements that pulls employees are manage both individuals and group in the organization. The attention given to the individual as opposed to the collective relationship differs from one organization to another depending on the beliefs and orientations of management (Blyton & Turnbull, 2004).

Employee Recognition

Employee recognition refers to acknowledgement and confirmation of a specified performance (Petrescu & Simon, 2008). The idea behind recognizing employees or workers have gone wide, becoming more critical relevant, and generally accepted by organizations that are aiming to succeed and improve performance in a competitive environment. Recognizing workers plays a vital role in boosting relationships that could lead to improve organizational performance. Accordingly, Manjunath and Rajesh (2012) noted that in the quest to achieve strategic goals in the organization, managers should make efforts to establish mechanisms that can drive employees' potential to perform to optimum standard. Additionally, individual employees have the in-built capacities and the required expertise to drive performance, but simply requires to be triggered in order to get such performance realized; invariably, 'recognition' could get it done (Ferguson & Reio, 2010). In the same vein, Nolan (2012) employee recognition has been given credit to be among the basic methods used to address emotions and feelings of workers, holding that salaries and other monetary rewards are not the only employees' motivators.

Employee Involvement

Employee involvement and participation in organization helps in achieving its aims and objectives. Employees ideas aids problem solving and decision making in the organization (Saeed, 2016).

Employee involvement is mostly not a core organizational objective but a management style or culture of an organization that has positive effect on the organizational wellbeing. It is a sense of responsibility established in employees and indicates the level of an employee's commitment (Amah & Ahiauzu, 2013). Kok, Lebusa, and Joubert (2014) noted that employee involvement is not a direct firm objective as it entails personal effort that may be difficult to compel hence, it is a managerial view point on how employees could be encouraged to bring in their initiatives into operations and development process of the entire organization.

Employee Performance

Employee performance implies the effectiveness of individual worker's activities that contributes to organizational goals (McCloy, Campbell, & Cudeck, 1994). Delery (1998) noted that employee performance has so many indicators such as effectiveness, efficiency, development, satisfaction, innovation, and quality. In other words, employees' performance measurement could be taking from any of the indicators listed above. For instance, low absenteeism and punctuality of employees could be part of key performance indicators (KPI) for effectiveness which measures how effective employees are in terms of stability at work and time of resumption. Employee performance entails the degree at which a worker meets organization's objectives and goals. Torrington, Hall and Taylor (2008) noted that the objectives which the employees strive to meet could be divided into financial performance, performing better than competitors, optimum organization effectiveness; performance measurement could as well be grouped into quantitative (objective) and qualitative (subjective) measures. The quantitative includes return on investment, sales volume whereas the qualitative includes quality, satisfaction, and commitment. Performance has been measured using various tools and high performance workplace practices (HPWP) paradigm that identifies employee outcomes such as improved satisfaction, skills, reduced fatigue and stress (Appelbaum, Bailey, Berg & Kalleberg, 2000). Employees forms indispensable assets and a critical element for gaining competitive advantage including the actualization of organizational goals (Houger, 2006).

Low Absenteeism

The term absenteeism implies an employee absents from place of work for a specified period of time. Neuborne (2003) sees absenteeism as the root cause of losses in productivity and organizational performance. Similarly, Kocakülâh, Kelley, Mitchell, and Ruggieri (2009) noted that employee absences are costly and disruptive for organizations making it a trending issue over the years. The authors added that absenteeism does not happen on its own as there are elements responsible for its occurrences such as personal illness and family matters even the author noted as the basic elements that causes unplanned absences in the work place. Also, the study noted that managers have made several efforts to determine the causes of absenteeism and found that illness and stress are part of the root causes. Thus, low absenteeism is state where employees rarely don't stay absent from work and could be reduced via incentives and other managerial efforts.

Punctuality

Employee punctuality implies how regularly and timely employees arrive at workplace in order to meet their performance meetings. Punctuality measures how adequate an employee is in terms of full performance (Rakos, 2014). Punctuality at work plays a critical role in the measurement of employee performance given that it affects team morale and productivity. Further, punctuality demonstrates professionalism and a desire to carry out functions more effectively; customers perceive employee that are punctual to be more trusted than those who are not punctual to work (Leornard, 2019). Punctuality is geared towards ensuring that employees are present in office or place of work daily as well as complete task during their working hours (Engle, (1994). Punctual employees are assets to the organization that wishes to boost its performance as workers who are not punctual constitute burdens to the system and do not contribute much to the overall productivity of the organization. Managers is to ensure that employees get to office on time and may not unnecessarily sit till late (White, 2012).

3.0 Methodology

The study adopted the survey design method, which allowed the researcher collect data from target population at a stipulated time. The target population are employees of 15 private secondary schools in the Federal Capital Territory (FCT) Abuja. 10 employees (teachers) from each school were issued copies of the questionnaire making a total of 150 (10x15) copies. The independent variable (managerial relations) was operationalized in terms of employee recognition and involvement adapted from (*Duah & Danso, 2017; Saeed, 2016; Nolan, 2012*). Employee recognition was measured with 4 items thus- my organization gives awards for high performing workers, growth and personal development programs are usually organized by my organization, yearly sponsorship programs are available for hardworking staff etc). 4 items were also used in measuring employees' involvement thus-your ideas are usually used to handle issues, supervisors also seek your opinions in sensitive matters, you have spaces to make your contributions in policy formulations etc). Further, the dependent variable (employee performance) has punctuality and low absenteeism as its measures; adapted from Torrington, Hall and Taylor (2008); Rakos (2014), Kocakülâh, Kelley, Mitchell, and Ruggieri (2009). Punctuality was measured with items like- I usually come to the office on time, meeting up with minutes when schedule is always possible when am involved, for records purpose I try to be in office on time etc) while low absenteeism was measured using items like- I prefer being in the office all through the working days, because my supervisors knows I am regular, am always around, I believe that am among the policy makers so I must be regularly in the office. All the items were rated on 4 point Likert scale ranging from 1-strongly disagree, 2-disagree, 3-agree, and 4-strongly agree. Spearman rank correlation coefficient was used to test relationship between variables with the aid of Statistical Package for Social Sciences (SPSS) version 21.0

4.0 Data Analysis

A total of 150 copies of the questionnaire were distributed and returned from the respondent representing (100%) copies returned. Among the returned copies, 146 (97.3%) copies were properly filled and found valid that is- 4 (2.7%) were not valid.

Table 4.1 The gender of respondents

Gender	Frequency	Percentage
Male	61	41.8
Female	85	58.2
Total	146	100

Source: Survey Data, 2020

Table 4.1 is a descriptive table showing 85 (58.2%) of the respondents as female while 61 (41.8%) respondents are male. This implies that most copies were administered to female employees.

Table 4.2: Employee involvement and low absenteeism

Correlations			
		Employee involvement	Low Absenteeism
Spearman's rho	Correlation Coefficient	1.000	.771
	Sig. (2-tailed)	.	.000
	N	146	146
	Correlation Coefficient	.771	1.000
	Sig. (2-tailed)	.000	.
	N	146	146

Source: 2020 Survey

The result analyzed from table above indicated a significant relationship between employee involvement and low absenteeism with a Sig. of $0.000 < 0.05$ significance level, and a rho value of 0.816. Hence, the hypothesis stated in null form was rejected and the alternate accepted which showed a significant relationship between employee involvement and low absenteeism of private schools in Federal Capital territory FCT Abuja.

Table 4.3: Employee involvement and punctuality

Correlations		Employee involvement	Punctuality
Spearman's rho	Correlation Coefficient	1.000	.611
	Employee Involvement		
	Sig. (2-tailed)	.	.000
	N	146	146
	Correlation Coefficient	.611	1.000
	Punctuality		
	Sig. (2-tailed)	.000	.
	N	146	146

• Source: 2020 Survey

The result as shown in the table above indicated that there is a relationship between employee involvement and low punctuality with a Sig. of $0.000 < 0.05$ significance level, and a rho value of 0.611. Hence, the hypothesis stated in null form was rejected and the alternate accepted which showed a relationship between employee involvement and punctuality of private schools in the FCT Abuja.

Table 4.5: Employee recognition and punctuality

Correlations		Employee Recognition	Punctuality
Spearman's rho	Correlation Coefficient	1.000	.600
	Employee Recognition		
	Sig. (2-tailed)	.	.000
	N	146	146
	Correlation Coefficient	.600	1.000
	Punctuality		
	Sig. (2-tailed)	.000	.
	N	146	146

Source: 2020 Survey.

The result of the table above showed a relationship between employee recognition and punctuality with a Sig. of $0.000 < 0.05$ significance level, and a rho value of 0.600. Hence, the hypothesis stated in the null form was rejected and the alternate accepted which showed a relationship between employee recognition and punctuality of private schools in the FCT Abuja.

5.0 Discussion of Findings

The findings showed that managerial relations correlates positively with employee's performance. Basically, the first hypothesis showed employees involvement as having a linear notable positive

correlation with low absenteeism based on the P-value less than 0.05 ($P\text{-value} = 0.000 < 0.05$) and rho value of $=0.771$, which indicates that employee involvement and absenteeism are on the same direction. Hence, items of employee involvement that is: your ideas are usually used to handle issues, supervisors also seek your opinions in sensitive matters, you have spaces to make your contributions in policy formulations, I believe that am among the policies makers so I must be regularly in the office etc relate positively with low absenteeism. Thus, respondents affirm that employees' involvement items and items the predictor axis correlated and could be associated with employee performance. The second hypothesis also showed, employees involvement as having a linear notable positive correlation with punctuality based on the P-value less than 0.05 ($P\text{-value} = 0.000 < 0.05$) and rho value of $=0.611$, which indicates, that employees involvement and punctuality are on the same direction. Hence, items of employee involvement i.e. your ideas are usually used to handle issues, supervisors also seek your opinions in sensitive matters, you have spaces to make your contributions in policy formulations, meeting up with minutes when schedule is always possible when am involved etc relates with punctuality. Again, respondents affirmed positively that employee's involvement items and items on predictor axis correlates and can associate positively with employee performance of private schools in the FCT Abuja.

Again, the third hypothesis showed employee recognition as having a linear notable positive correlation with low absenteeism based on the P-value less than 0.05 ($P\text{-value} = 0.000 < 0.05$) and rho value of $=0.812$, which indicates that employee recognition and low absenteeism are on the same direction. Hence, items of employee recognition i.e. my organization provides awards for high performing workers, growth and personal development programs are usually organized by my organization, yearly sponsorship programs are available for hardworking staff, I believe that am among the policies makers so I must be regularly in the office etc relate positively with low absenteeism. Hence, respondents affirmed positively that employee recognition items and items on predictor axis correlated positively and can be associated with performance of private schools in the FCT Abuja.

The last hypothesis showed that employees recognition has a linear notable positive correlation with punctuality based on the P-value less than 0.05 ($P\text{-value} = 0.000 < 0.05$) and rho value of $=0.600$, which implies that employees recognition and punctuality are on the same positive direction. Hence, items of employee recognition i.e. my organization provides awards for high performing workers, growth and personal development programs are usually organized by my organization, yearly sponsorship programs are available for hardworking staff, because my supervisors knows I am regular, am always around etc relate positively with punctuality. Thus, respondents affirmed positively that employees recognition items and items on the predictor axis correlate positively and can be associated with employee performance of private schools in the FCT Abuja.

Furthermore, the correlation between employee relations and performance are found to be consistent with various initial studies by Atambo, Kabare, Munene, and Nyamwamu (2012) - "enhancing the role of employee recognition towards improving performance: a survey of kenyatta national hospital, Kenya" as their findings showed that recognizing workers' accomplishments, provision of clear career path and advancement opportunities positively affects performance both at the individual and organizational levels. Also, Duah and Danso (2017) on "Employee relations and

its effect on organizational performance.” Using descriptive analysis with the aid of SPSS for data analysis and findings showed that employees would be more committed to work when rewards are commensurate with responsibility and skills which is also in tuned with the positive correlation of recognition with employee performance in the present study. Addition, the findings of the present study correlates positively, with the expectancy theory propounded by Victor Vroom 1964. The theory assumes that employees would put more effort when known their input would lead to positive outcomes like rewards, recognition and involvement. Thus, the study supports the basic assumptions of expectancy theory.

6.0 Conclusion

The result showed positive correlations between the variables under study. Thus, the study concludes that managerial relations can be associated to employee performance of private schools in the Federal Capital Territory Abuja.

Recommendations

The following recommendations were proffered:

- i. Managers of private schools should focus on recognizing employees who are believed to have performed excellently to increase their willingness to perform more.
- ii. Every teacher should be included in the suggestions of policies and plans that will move the organization forward to increase their sense of belongingness.
- iii. To boost employee performance, growth and personal developmental programs should be provided at internals to enhance the effectiveness and involvement in the school activities.

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**PERCEIVED MARKET RISK AND CUSTOMER SATISFACTION AS PREDICTORS
OF CUSTOMER LOYALTY IN THE GLOBAL SYSTEM OF MOBILE
TELECOMMUNICATION IN LAGOS STATE NIGERIA**

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ABSTRACT

Customer loyalty is seen as very important in corporate organisation because it is cheaper to retain customer than getting new one. This paper examined how perceived market risks and customer satisfaction predict loyalty in the Global System of Mobile (GSM) telecommunications in Nigeria in the perspective of mobile phone users in Lagos state. The study examined financial and functional risks as well as customer satisfaction as predictors of customer loyalty. Cross-sectional survey research as an aspect of descriptive design was adopted in conducting the study. The subscribers' base in Lagos state is put at 19,417,181 by National Bureau of Statistics (NBS) in 2019 and 800 subjects were used in collecting information that was processed using descriptive statistics, multiple regression statistics. Results show that there was a statistically significant relationship between financial risk, functional risk, and satisfaction on customer loyalty. It was concluded that marketers in the GSM industry should formulate and implement marketing strategies that will focus on mitigating financial and functional risk and enhance customer satisfaction. The study recommended that strategies should be formulated to encourage customer patronage and loyalty.

Keywords: perceived market risk, functional risk, financial risk, satisfaction, customer loyalty

INTRODUCTION

Risks perception of consumers influence their purchase behaviours in the market place (Huber, Palan & Zeisberger, 2019). In order to facilitate growth and profitability in every aspect of business, customer loyalty level has been widely discussed in marketing (Olufayo, Omoera & Bakare, 2020; Poujol, Siadou-martin, Vidal & Pellat, 2013; Dehghan & Shahin, 2011). The evolution of customer loyalty study dates back to 1955 (Guest, 1955; Dehghan & Shahim, 2011). Furthermore, the GSM industry started in 2002 in Nigeria. Customer loyalty study is a recent one in Nigeria being an economy that is underdeveloped, therefore, this study is to close this existing gap. In the

telecommunication sector, customer loyalty has been a major issue (Olufayo, *et al*, 2020; Ogbojafor, Mesike, Omoera & Bakare, 2012; Rahul & Majhi, 2014). As a result of the importance of customer loyalty, marketers and scholars are always concerned about customer loyalty, and studies have been focussing on loyalty construct and it has been sustained (Dehghan & Shahin, 2011). Customer loyalty according to Noyan and Şimşek (2014) is the intention to continue buying, to increase buying volume and to recommend other customers to patronize a brand (referrals).

Dehghan and Shahin (2011) contended that when customers are loyal to a product and services, it will result in positive attitudes and behaviours which include repeat purchase, patronage and recommendations of the product to others. Fundamentally too, customer will be an advocate of the firm, its products or services (Rai & Srivastava, 2012). A customer who is an advocate of a product or brand may influence potential and actual customers to patronize and remain with such product or service.

However, there are many dimensions of factors that influence customer loyalty, and this study examined how perceived market risks in terms of finance and function (performance) risks influence loyalty of a customer to a Global System of Mobile (GSM) service. Furthermore the study examines how satisfaction level in conjunction with market risks affects customer loyalty in the GSM industry.

On the premise of the above, the objectives of the paper are to:

- i. examine if perceived market risk is a predictor of customer loyalty in the Global System of Mobile (GSM) telecommunication market;
- ii. investigate if functional market risk is a predictor of customer loyalty in the GSM telecommunication market;
- iii. find out if financial market risk is a predictor of customer loyalty in the GSM telecommunication market; and
- iv. ascertain if customer satisfaction is a predictor of loyalty in the GSM telecommunication market

Literature Review

Customer Loyalty Concept: The concept of customer loyalty has been a serious issue with marketing scholars and practitioners (Budianto, 2019; Nguyen, Nguyen, Nguyen & Phan, 2018; Jania & Han, 2015; Rahul & Majhi, 2014; Noyan & Şimşek, 2014; Poujol, Siadou-martin, Vidal & Pellat, 2013; Aydin & Ozer, 2005; Reichheld, 1996). As Reichheld (1996; 2006) noted, retaining customers is paramount because finding new ones can cost five times more than the cost involved in satisfying and retaining current ones. On the average, a company may lose up to 10 percent of its customers each year if strategies are not adopted to prevent customer disloyalty. Equally, retaining current customers is important because a 5 percent reduction in customer defection rate can increase

services. Customer satisfaction is a variable determiner that is very important to create customer loyalty (Adeoye & Lawanson, 2012; Dick & Basu, 1994; Bowen & Chen, 2001; Asuncion, Marti'n, & Quintana, 2004; Mohsan, 2011).

In the last decade, research on customer satisfaction and customer loyalty has gained increasing importance in both online and off-line business. Therefore enterprises attempt to increase their market share by maximizing customer retention (Tsoukatos & Rand, 2006). Yacob, Ali, Baptist, Nadzir and Morshidi (2016) asserted that customer satisfaction is a concept being suggested to be the leading determiner of customer loyalty and retention. Therefore, these authors concluded that several research saw a positive relationship between customer satisfaction and customer loyalty (Harris & Harrington, 2000).

The potential and opportunity value of customers earned over a long period is an advantage to maintain existing customers hence the need for them to be satisfied (Seo, Ranganathan & Babad, 2008). A high level of customer's satisfaction has positive impact on customer loyalty (Mittal, Ross & Baldasare, 1998).

According to the findings of Sivadass and Baker-Prewitt (2000), customer loyalty is the ultimate objective of customer satisfaction measurement. Further with the advancement of information technology customers are becoming more and more open to understand the brand, thus satisfaction alone may not be adequate to retain a long term relationship (Kassim & Abdullah, 2008). Accordingly, it is important for the service providers to identify appropriate factors that impact users' satisfaction and loyalty which would help to take proper measure to retain them, hence the inclusion of perceived market risks as other factors impacting on customer loyalty.

Perceived service quality and customer value serve as drivers of customer satisfaction (Lim, Widdows & Park, 2006). It is expected that this relationship may also be significant in the context of telecom service providers of India. The mobile phone users often choose the providers they trust to deal with. Trust can also be seen as a critical factor for consumers to build and maintain relationships with providers (Semejin, Riel-Allard, Birgelen & Streukens, 2005). Satisfaction has always been viewed as the main input for the customer loyalty. However, the satisfied users may switch to another brand because of the low switching costs (Lam, Shankar, Erramilli & Murthy, 2004). As a result customer's satisfaction is one of the important predictors of customer loyalty of service providers. Other moderate influences on loyalty are due to customer characteristics such as age, gender, usage and experience.

Fornell (1992) has opined that high customer loyalty is mainly caused by high customer satisfaction whereas Clarke (2001) proposed that effective satisfaction must be able to create loyalty amongst customers. Previous studies have also shown that customer satisfaction positively affects customer loyalty (Choi et al.,

2008) or negatively affects switching intention (Walsh, Dinnie & Wiedmann, 2006). If a customer is dissatisfied with a service provider because of low service quality or other such factors, then he/she would more likely change to another. A few satisfied customers may complain of poor service

profits by 25 to 85 percent, depending on the industry (Khyati & Dhingra, 2013; Reichheld & Sasser, 1990). Customer loyalty can in the same vein enhance profit rate to increase over the life of the retained customer (Reichheld, 2006; 1996).

Customer loyalty is the intention to repurchase or repatronise a company, firm's products and services (Gountas & Gountas, 2007). Marketers are of the opinion that it is not enough to attract new customers hence; corporate firms must keep them in order to grow their business (Kotler & Keller, 2012; Kotler & Armstrong, 2008). Customer loyalty is an avenue for co-value creation between the firm and customers (Xie., Wu, Xiao & Hu, 2016). It is true that many companies suffer from high customer defection because they are not loyal to the firms and/or to their products and services (Reichheld, 1996).

It has been found out that customer loyalty has some level of pre-dispositional dedication toward a firm, firm's product or service; just as its constructs are influenced by multidimensional variables (Juan & Yan, 2009) such as perception of market risk, customer satisfaction and other variables.

Perceived Market Risk

Consumers' actions portend some element of risk because these will not be able to anticipate approximately the outcomes of their actions to be favourable (Marakanon & Panjakajornsak, 2017). In the last 40 years, many different researchers have attempted to operationalise the perceived risk concept (Kim, Ferrin & Rao, 2008). The prevailing view is still the same; that uncertainty and significance of consequences (importance of losses) should combine interactively to compose perceived risk (de Mello & Collins (2001). Perceived risk is a risk in the perspective of marketing where there is the likelihood of the cost of product failure or dissatisfaction. Perceived market risk according to Kim, *et al.*, (2008), is the uncertainty that the consumers face when they cannot foresee the consequences of their purchase decisions. Consumers often perceive risk because of uncertainty as to the consequences of their product purchase decisions. The degree of risk that consumers perceive and their own tolerance for risk taking are factors that influence their purchase decisions. This study looks at financial and functional risks because these are more appropriately faced in the GSM service sector and there is little or zero technicality in the use of GSM service and only the handset can present technical problem. Services are equally intangible hence physical risk will be minimal. Perceived market risks affect product prices, customer trust and loyalty and satisfaction (Huber, Palana & Zeisberger, 2019); hence the hypothesis:

H₀₁. Perceived market risk is not a predictor of customer loyalty in the GSM market

Dimensions of Market Risks

Scholars have presented many dimensions of market risks. According to Kotler and Keller (2012) and Xue (2015), the major types of risks that consumers perceive when making purchase decisions include functional risks, physical risk, financial risk, social risk, psychological risk, and time risk.

However, there are six dimensions of perceived risks; and these include financial, functional, psychological, physical, performance and social (Marakanon & Penjakajornsak, 2017). However, this study considers only functional and financial risks as Lee, Chuang, Huang, Huang & Chen (2013) agreed with DelVecchio and Smith (2005), and Aqueveque (2006) as the two types of market risks mostly mentioned in the literature

The GSM service firms are similar and it is difficult to differentiate one brand from the other and information is expensive and may lead to risky purchase, dissatisfaction may occur through the purchase of one mobile brand rather than the other (*Adjei & Denanyoh, 2015*). This reason has made people to have more than one service provider in case one brand disappoints they can switch to the other (Calvo-Porrà & Lévy-Mangin, 2015; Saeed, Hussain & Riaz, 2011).

Saeed, *et al.*, (2011) posited that consumers might experience post-purchase dissatisfaction (after-sales discomfort) when they notice certain disadvantages of the purchased products or services or hear favourable things about other products or services not purchased. In order that such dissatisfaction could be countered, marketers adopt after-sale communications to provide proof that their products or services will help consumers to get the values for the purchase both before and after the choice of their brand (Knox & van Oest, 2014; Gilly & Gelb, 1982).

Financial Market Risk

According to Hong and Yi (2012), customers during the purchasing process, will face many types of perceived market risks, in which some can be perceived by themselves, while others cannot be. Some market risks can be exaggerated while others can be dwindled. So the perceived risk may be different from the actual risk because the risk cannot influence the buying decision without knowing it (Hong & Yi, 2012).

The degree of risk that consumers perceive and their own tolerance for risk taking are factors that influence their purchase decisions (Hong & Yi, 2012). The major types of risks that consumers perceive when making purchase decisions in the GSM market, are functional/performance risks and financial risk (Hong, 2015). Perceived financial market risks are the perceived risk that the product or service purchased will not be worth its cost and that the benefits gotten from the product will not worth the price paid on it (Hong, 2015). Financial perceived market risk will influence people's buying behaviour through. Therefore we draw the hypothesis in this paper that:

H₀₂. Financial market risk is not a predictor of customer loyalty in the GSM market

Functional Market Risks

Functional market risks are those risks perceived that the product will not perform as expected and that the GSM network will not function well when a call is made (Kotler & Armstrong, 2012). Customers face functional risk in the market and this is the perceived risk that the product will not be worth its cost in terms of the outcome. Furthermore, functional risk perceived by customers as the risk that the product will not perform as expected (Cho, Bonn & Kang, 2014).

When looking at routine products just like the GSM products/services, in the perspective of a purchasing situation, the products are those products that have low value and cost to the customer and involve little risk (Arshad, Zafar, Fatima & Khan, 2015). For example, GSM service cost to an individual is not high and the product is purchased frequently at a lower cost. However, in terms of failure of the service, the cost may be very high since information dissemination is the hallmark of mobile telecommunication and when the required information cannot reach the destination, money may be lost. When a product performs what it is bought for, it will likely predict if customers will remain to buy and repurchase the product, hence the hypothesis:

H₀₃. Functional market risk is not a predictor of customer loyalty in the GSM market

Customer Satisfaction

Customer satisfaction refers to psychological state resulting when the emotions surrounding disconfirmed expectations are coupled with consumers' prior feelings about consumption experience (Oliver, 1981). It is often considered as an important determinant of repurchase intention (Liao, Palvia & Chen, 2009) and customer loyalty (Eggert & Ulaga, 2002). It is a burning important research topic in the information system area (Au, Ngai & Cheng, 2008). The ability to provide a high degree of customer satisfaction services is crucial to service providers in differentiating themselves from their competitors. If the customers have good experiences in using mobile phone services, then he/she will have cumulative customer satisfaction.

Since customer satisfaction reflects the degree of a customers' positive feeling for a GSM service provider in a mobile phone context. It is therefore important for them to understand the customer's opinion about their services because customers will evaluate whether the product or service was able to meet their expectation (Adeoye & Lawanson, 2012). When a customer risk perception about a product is low this might mean that the expectation was met in the past interaction with the firm. The literature review reveals that long-term success of a firm is based on its ability to respond to changing customer needs and preferences (Camilleri, 2018; Majava, Nuottila, Haapasalo & Law, 2014; Narver & Slater, 1990; Webster, 1992). Higher customer satisfaction leads to stronger competitive position resulting in profitability of a firm (Fornell, 1992) and also helps in lowering the business cost and the cost involved in attracting new customers (Chien et al., 2003).

Satisfied users will have higher usage level of mobile services than those who are not satisfied and they are more likely to possess stronger continuous intention and recommend to their friends and relatives (Camilleri, 2018; Zeithaml et al., 1996). According to Yusuf *et al.*, (2015), customer faithfulness has link with customer satisfaction which is a post behaviour attitude. Loyalty is a reflection of the behaviour of the customer who made repeat purchased of the product in addition to giving positive attitude to the product of the firm by giving positive word-of-mouth information and recommendations to the other people and prospect (Dick & Basu, 1994; Bowen & Chen, 2001).

According to Jung and Yoon (2012), increasing the level of customer satisfaction will motivate the customer to have a positive attitude and behaviour towards the company and its products and

experience but would not switch.

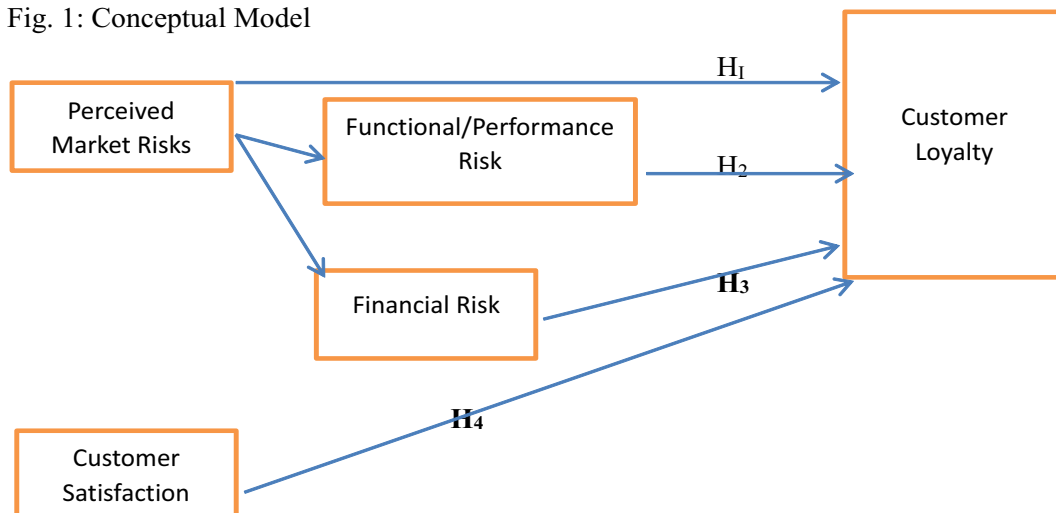
Satisfaction and loyalty are not surrogates of each other (Oliver, 1999). It is possible for a customer to be loyal without being highly satisfied and vice versa. Firms need to gain a better understanding of the relationship between satisfaction and loyalty which would help to distribute their marketing efforts between satisfaction initiatives and loyalty programs. For instance if the firms find that loyalty is associated with increased satisfaction then they can directly focus on enhancing their loyalty programs (Gerpott, Rams & Schindler, 2001; Kim, Park & Jeong, 2004; Lai, 2004; Lin & Wang, 2006; Turel & Serenko, 2006; Wang & Liao, 2007).

In the recent past several studies have been conducted to understand customer satisfaction and loyalty particularly on mobile services customers. Most of these studies emphasize that analysis of factors affecting customer satisfaction are important for the success of mobile service firms. Furthermore they have reported that customer satisfaction is the main important goal for mobile service providers to obtain economic success.

The relationship between satisfaction and loyalty seems to be obvious, however, analysis of the effectiveness of satisfaction to moderate customer loyalty is a topic of interest and debate (Kumar, Pozza, & Ganesh, 2013). Various works highlight the limited influence of satisfaction on repeat purchase behaviour and intentions (Szymanski & Henard, 2001; Verhoef, 2003), and the importance of other variables that explain loyalty better (Agustin & Singh, 2005). The satisfaction and loyalty link can be extremely sensitive to factors such as a firm, type of customers or the antecedent, and moderator and mediator variables that involve in the relationship (Kumar et al., 2013). Thus, the level of customers' satisfaction will be stronger if the quality of the product/service is good. Thus, the hypothesis:

H₄. Customer satisfaction is not a predictor of customer loyalty in the GSM market

Fig. 1: Conceptual Model



Source: Researchers, 2021

In Figure 1 above perceived market risks' dimensions; which are functional or performance risks and financial risks affect customer loyalty. Furthermore, customer satisfaction impact on customer loyalty

Methodology

Cross sectional as a form of descriptive research design was used in carrying out the study. Structured questionnaire instrument was employed in collecting information from users of mobile phones that cut across students in tertiary education, and workers. The subjects of the study are customers of the four active GSM service firms comprising MTN Nigeria Limited, Airtel Nigeria Limited, Globacom, and 9-Mobile in Lagos State, Nigeria.

The population of the respondents who are users of mobile phone in Lagos state is 21 million (Nigeria Communication Commission, 2019). Adopting Yamane's (1967) sample size determination formula, 400 sample size was arrived at. In selecting the respondents for the research, convenient sampling procedure was adopted where undergraduate and postgraduate students as well as workers in University of Lagos, Lagos State University and Federal College of Education (Technical) Akoka Lagos, were selected. Furthermore, some of the copies of questionnaire were administered on workers comprising civil servants, bankers, insurers and workers in the manufacturing and retail/service sectors.

Pilot study was conducted to establish the reliability of the instrument by following Malhotra (2010) contention that a sample size of between 15 to 30 respondents could be used in testing for reliability in a pilot study. A sample size of 20 respondents was used and the Cronbach's reliability coefficient of above 0.7 was obtained for all the items measuring the variables. George and Mallery (2003), contended that "a Cronbach's alpha coefficient of > 0.7 is acceptable as being internally consistent of the items in the scale measuring the variables". In analysing the information collected, multiple regression statistics was used in testing the hypotheses while descriptive statistics was used in presenting the information about the respondents.

Olufayo (2017) adopted Rasheed and Abadi (2014) regression model in his loyalty study; hence this study is also adopting multiple regression. The regression model is stated as:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \dots \dots \dots (1)$$

Where, β_0 , β_1 , β_3 , and β_4 = the unknown estimates to be determined (regression coefficients)

Y = Customer loyalty; X_1 = perceived market risk; X_2 = functional/performance market risks; X_3 = Financial market risks; X_4 = customer satisfaction; ϵ = error term.

Results

Table 2: Regression Statistics for testing Hypotheses
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.634 ^a	.402	.396	6.03026

a. Predictors: (Constant), Financial Risk, Customer Satisfaction, Functional Risk, Perceived Market Risks

Source: Field Survey, 2021

Table 2 presents the regression result where regression coefficient 'R' of functional risk, financial risk, customer satisfaction and perceived market risk is 0.634 indicating the extent of their relationship with customer loyalty. R Square is 0.402 and adjusted R Square is 0.396 indicated that 39.6% of the variation of the dependent variable (customer loyalty) is accounted for by the joint influence of perceived market risks, financial risk, functional risk and customer satisfaction. The result implied that the remaining 60.4% that influence customer loyalty were not captured in this study

Table 3: ANOVAa Table

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	9125.737	4	2281.434	62.739	.000 ^b
Residual	13563.776	373	36.364		
Total	22689.513	377			

a. Dependent Variable: Customer Loyalty

a. Predictors: (Constant), Financial Risk, Customer Satisfaction, Functional Risk, Perceived Market Risks

Source: Field Survey, 2021

Table 3 reveals that F statistics 62.739 and $p < 0.0$ indicating that perceived market risk, functional, risk, financial risk and customer loyalty has statistical relationship with customer loyalty and therefore they are jointly predictor of customer loyalty.

Table 4: Summary of Regression of predictor variables and the dependent variable (Customer Loyalty)

Model Variables	B	Beta	t	Sig	R	R ²	F	P
Perceived Market Risks	5.589	3.807	1.786	.075	.110	.012	4.616	.032
Financial Risk	.051	.023	.443	.079	.023	.001	.196	.658
Functional Risk	.513	.817	-1.654	.000	.179	.032	12.474	.000
Customer Satisfaction	1.231	.610	14.631	.000	.610	.372	222.682	.000

a. Dependent Variable: Customer Loyalty

Source: Field Survey, 2021

Tables 4 presented the summary of the regression statistics that is used to test the hypotheses of the research.

The first hypothesis tests whether perceived market risk is a predictor of customer loyalty and with a *P* value of 0.032 it is indicated that perceived market risk is a predictor of customer loyalty. The relationship between perceived market risk and customer loyalty is 11% while the *R*² is 1.2% indicating that other predictors of customer loyalty contribute 98.8%.

The second hypothesis wants to know if financial risk is a predictor of customer loyalty in the GSM market in Nigeria and the result shows that financial risk statistically is not a predictor of customer loyalty because the *P* value is .658 which is above 0.05.

The third hypothesis wants to examine whether functional market risk is a predictor of customer loyalty and the result that functional risk statistically is a predictor of customer loyalty with the *P* value of 0.000

The fourth hypothesis investigated whether customer satisfaction is a predictor of customer loyalty and it was shown in the result that customer satisfaction statistically predicts customer loyalty with *P* values of .000 and *R* value of 61% and *R*² of .372. The regression results revealed the variation in customer loyalty as explained by customer satisfaction was .372%. Overall, the regression results confirmed that customer satisfaction was not a strong predictor and explained little variation in customer loyalty

Discussion of finding and recommendations

Discussion of Findings: The correlation values (*R*) shows the level of relationship between the

predictor variables and the depended variable in this study in which H_1 , H_2 , H_3 , and H_4 ; the independent variables (perceived market risks, functional risk, and customer satisfaction) jointly and significantly and statistically influence customer loyalty while financial risk does not statistically influence customer loyalty. The findings presented a statistically significant relationship between three independent variables and customer loyalty in the GSM telecommunication sector in Lagos state, Nigeria. The result on perceived market risks was in contrast with the study by Pérez-Cabañero (2007) who concluded that perceived market risks did not predict purchasing behaviour (loyalty) of consumer. However, since financial risk is a dimension of perceived market risks, there is agreement with the result of Pérez-Cabañero (2007) while there is disagreement with the result of this study on functional risk.

On the relationship between customer satisfaction and loyalty, this study concluded that there is a relationship. This agreed with the study of Ibido and Asabi (2015) that customer satisfaction statistical has a relationship with customer loyalty.

Recommendations: The results of this study indicated that customer loyalty is very vital in the Global System of Mobile telecommunication sector and customer satisfaction and perceived market risks jointly are important variables that will influence customer patronage and repatronage. In the GSM sector in Nigeria strategies are formulated and implemented to encourage customer purchase and repeat purchase. Therefore, it is suggested that pricing, customer relationship, quality service delivery (product), sales promotional and communication strategies should be formulated and implemented. Despite the fact that prices being charged in making phone calls are not too high, however, inability of the GSM service providers to meet customer expectation should be looked into and quality customer service should be the focus of the management. This will improve customer satisfaction and reduce functional risk.

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NIGERIA DEMOCRACY IN A SLIPPERY HOLLOW OF INSECURITY: A CASE OF CONFLICT – INDUCED HUMAN SECURITY CHALLENGES IN THE COUNTRY'S FOURTH REPUBLIC

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ABSTRACT

The coming of democracy, into the political landscape of Nigeria, and the admission of Nigeria into the democratic class of states on the 29th of May, 1999 was greeted with a euphoria of hope for a new pattern of national life. Thus after many years of predatory military rule with its coloraries-human right abuses, economic rape, unlawful imprisonment, militarized and uncivil culture, wanton corruption with impunity, coups and counter-coups, suffocating of all democratic edifices like the Courts, trade and students union, etc. democracy was expected to bring into the political atmosphere, certain democratic and good governance tenets like: tolerance, rule of law, development, human security, justice, transparency, accountability etc. Ironically ,such expectations have been contradicted as many constellation of forces have not allowed for the flourishing of good governance and human security. One of such issues has been the surge and ravaging incidents of conflict of diverse coloration, ranging from, ethnic, religious, communal, resource war, terrorism, herdsmen, unknown gunmen attacking military and security formations. The study based it's methodology on content analysis cum qualitative analysis (textbooks, journal publications, magazine, internet materials, etc.), three hypothesis were tested: there is no significant relationship between Niger-Delta crisis and human insecurity; there is no significant relationship between Boko Haram crisis and the flow of internally displaced persons and there is no significant relationship between Farmers-Herdsmen clash and loss of lives, food insecurity and loss of livestock. While the protracted social conflict theory (PSC) and Human Security Theory were explored to buttress the work. The study , discovered that ,the ravaging incidents of conflicts have truncated Nigerian democracy, the attitude of the managers of Nigerian state reveals that of predatory leaders lacking sense of human Security, hence the need to prioritize Human Security, judiciously utilize Security votes and budget in a way that is devoid of corruption, parochial interest.

Key Words: Security, Human Security, Conflict, Herdsmen, Boko Haram, Niger Delta, internally displaced persons.

Introduction

Conflict, is said to be an existential part of any human and social formation from time immemorial. Thus conflict occurs in any groupings of human, from the family, church, workplace, among peers, schools, etc. where we have people with incompatible goals, different ideology, reasoning, ethnic cum religious background, there is bound to be some form of conflicts. Most of these conflicts are protracted in nature, lingering for long and causing severe humanitarian catastrophe of a large proportion. Even Thomas Hobbes, John Locke and Rousseau saw the existence of conflict in what they called the “State of nature,” Which Hobbes confirmed to be a period where people suffered from anarchy, illustrated by the proverbial tendency of a large “fish swallowing a small one, where man is essentially selfish, he is moved into action by his appetites, not reason. In the state of nature man saw himself in the condition of war and such a war, as is of every man, against every man-not war in the organized sense, but a perpetual struggle of all against all, competition, diffidence and love of glory being the three main causes. Law and justice are absent. The life of man is solitary, Poor, nasty, brutish and short,” (Appadorai 1975; and Adegbonmire 2016).

Conflict, which according to Adegbonmire is historical cum biblically rooted from when God, Adam and Eve severed relationship. This was as a result of failure of Adam and Eve to obey the ordinances of God. As a result of this disobedience the tripartite parties were in a feud. Hence conflict connotes all forms of agreement and disagreement. It relates to all level of conflicts between individuals, within families, communities, organizations or states, even between animals, etc. (Adegbonmire 2016). The outcome of every conflict is always disastrous not just touching the fabrics of society or state, but unleashing terrible, unbearable and strenuous experience, pains, injury, trauma, human rights abuses, hunger, homelessness, refugee flow and displaced persons, etc. This manifest in some poor states suffering alongside some developmental challenges like poverty, food insecurity/hunger, unemployment, infrastructural (health, education, roads, water) decay, as evident in most third world countries, like Nigeria. The country with its chequered history, smacked with slavery, colonialism, post-independence, military era of coups, counter coups, violation of human rights with the problematic of centripetal and centrifugal forces (ethnic, religious and nationalist sentiments) straining the corporate existence of the nation, as mostly experienced in the fourth Republic Nigeria, (Nnoli 2011: 164; Maduagwu 2005; Mohammed 2005; Dumoye 2011; and Radda 2005), is still grappling with conflict of various kinds.

The coming into the democratic class of states, by Nigeria on the 29th of May 1999, was according to Uya (2005), to usher in a political culture based on justice, equity, massive improvement in the welfare of the masses, where human rights and security would be respected as was denied in the military era, which lasted for 29 years of the country's 60 years of independence, (Toyin 2015).

With such political history during the military era, the coming of the Fourth Republic was heralded as a new atmosphere of change for an egalitarian, civil and secured Nigeria. But the experience of the Fourth Republic as one writer observed is a calamity and a curse rather than a blessing. The numbers of conflict, (ethnic and religious, resources), that plagues the nation leaves one with no hope, never

imagined in the history of the country. The rate of violent, conflicts which affects human life and human security experienced in the Fourth Republic Nigeria is alarming. Thus the views of Omodia and Aliu (2013) contradicts the overwhelming expectations and hope of Nigerians thus: the Fourth Republic appears to be a semblance or repertoire of past republic in terms of failure of the state to guarantee minimum conditions of governance, deliver democratic dividends and development. The inability of the current democratic governance to meet the challenges of human security – Food, employment, security, portable water, accessible health care, roads, qualitative education and other basic needs of the masses are glaring and well documented, (Ogundiya 2010: Inokoba and Kumokor 2011: Yagboyaju, 2011 in Omodia and Aliu 2013). It is based on this backdrop the paper take an extrapolatory steps in examining the human security problematic in Nigeria's Fourth Republic associated with the Niger Delta crisis, Boko Haram – induced internally displaced persons (B-IDPs), and the farmers-herdsmen clash.

STATEMENT OF PROBLEM

The attainment of democracy in Nigeria on the 29th May, 1999, was seen by many as the second independence in Nigeria. There was hope that the lives of the masses would be transformed for the better. Thus democracy was expected to usher in an atmosphere of tolerance, respect for human rights, equity, justice and fairness in the distribution of resources, equality before the law, transparency and accountability in government dealings, human security and development would be prioritize, while the dividends of good governance would be appreciated. Ironically the Fourth Republic has been a jinx and nightmare for many Nigerians. Issues such as corruption, unemployment, poverty, ethnic-religious conflicts, resource war, terrorism, etc. prevailed as the order of the day, (Duke, Ebaye and Bassey 2021b).

One of the disturbing trend of events in the Fourth Republic, has been the neglect of the tenets of human security. There is no gain saying the fact that, the country has a bleak and tumultuous political history with experiences of conflict beginning from the colonial era to the independence, post-independence, military era to the current democratic Fourth Republic. Most of these conflicts have severe human security implications in the form of denial of basic human rights (right to life, free movement, privacy, human dignity) to the affected citizens, mostly women and children, (FGN Constitution 1999 in Johnson 2014). Even the 1999 constitution of the Federal Republic of Nigeria clearly stated how sacrosanct it is for the government to protect the lives, properties and welfare of the masses in section 14(2), thus “the security and welfare of the people shall be the primary purpose of the government”. Invariably, the constitution has saddled the government with the responsibility of safeguarding lives, property, welfare of Nigerians against both internal and external threats including other forms of danger, (Duke and Bassey 2021a).

Most of these conflicts, that continue to ravage the Fourth Republic, includes: The April 14th 2000, Agyragu crisis in Nassarawa, with the killing of their indigenes, the May, 16 2000 feud between Akasa and Igwama communities in Bayelsa State, the Kuteb and Chamba conflict in Taraba State on

11 August 2000, which took the lives of about 200 persons, followed by a clash in Lagos involving O'dua people's congress (OPC) on the 9th of September, 2000, the Okirika-Elеме in Rivers State on October 4th, 2000, over land ownership, (Ebenyi 2003: 137; Imobighe 2003 in Hassan et al 2013), the Tafewa Balewa Square in Bauchi conflicts in 2000, the conflicts in mushin, ajengunle, ketu, agege and other parts of Lagos (1999-2000), conflicts in Kaduna metropolis of May 2000, the conflict in Gombe State in September, 2000 and the conflict in Aguleri and Umuleri areas of Anambra State in 2000, (Adebayo 2006 in Hassan et al 2013). Nigeria's Fourth Republic has been an era of prevalent violent conflict. The beginning of the democratic triumphant of May 29, 1999, led to more escalated violent clashes of both religious and ethnic undertone (Imobighe 2003 in Hassan et al 2013).

In the midst of all these, the innocent Nigerians are the ones who bears the brunt of such animalistic and uncivil behavioral tenets of some violent humans, while the Nigerian State continuously fails to protect the lives and properties of the victims. Most victims are made to forcefully flee their homes, being rendered homeless and despair without hope. Hence they suffer severe human security challenges. This is so as the masses suffer in terms of fear, lack of food, sexually abused by security men, lack of shelter, as their homes are set ablaze, health care and inadequate care from the government. The problem becomes worrisome as there exist other human security challenges in the country such as: Poverty, unemployment, hunger/food insecurity which adds to the already existing governance pathologies and social deformities suffocating the nation's political fabrics. And these challenges of human security mentioned above breeds some forms of insecurity. Thus many outbreaks of conflicts, such as terrorism, civil unrest, protest has link with economic, political, environmental, religious factors. That is why Bassey affirmed that two years after 1999, armed confrontation have erupted throughout the country over issues as religion, economic power and division of wealth and land; renewal of natural resources, including livestock forage, wood stocks and fisheries, environmental damage, labour-management relations, urban disputes among youth gangs, disputes among youth rural communities and police – related violence, (Bassey 2007). This calls into the reasoning that, there is a need for Nigerian government to have a rethink over adopting and infusing a security and developmental thinking that takes into consideration, the human dimension of security in all its dealings of security.

It based on this aforesaid, which obviously reflect on the one hand the prevalence of conflict in the Fourth Republic Nigeria and the concomitant resultants of human insecurity outcome of such conflicts. Hence the study delve into investigating the enormity of human security challenges resulting from conflict – induced human security challenges, (Niger Delta crisis, Boko-Haram-induced-internally displaced persons and the Herdsmen-Farmers clash) in Nigeria's Democratic Fourth Republic.

OBJECTIVES OF THE STUDY

The general objectives of the study, is to unravel the extent which myriads of conflicts in Nigeria Fourth republic unleashes severe human security challenges. The study further considers certain specific issues below:

- The extent which the Niger-Delta conflicts breeds human insecurity as the inhabitants of the oil producing states were not adequately compensated for environmental pollution and human development .
- The extent which the Boko Haram terrorism engenders severe human insecurity in the form of food insecurity, livestock shortage, internally displaced persons, closure of schools, markets, offices etc.
- The extent which the Herdsmen-farmers clashes breeds unbearable human security in form of loss to farmers reduction in agricultural outputs and livestock, homelessness, etc.)

HYPOTHESIS

The study, though adopted the content analysis as its methodology, hence data was gotten solely from secondary sources and will be tested using qualitative method.

Hypothesis I

- There is no significant relationship between Niger Delta crisis and human insecurity in terms of environmental insecurity/pollution, loss of means of livelihood,

Hypothesis II

- There is no significant relationship between Boko Haram conflicts and human insecurity in the form of food shortage, the spread of internally displaced persons.

Hypothesis III

- There is no significant relationship between Herdsmen-farmers clash and human insecurity in the form of loss of lives, loss to farmers, reduction in agricultural outputs, food insecurity, loss of livestock, homelessness etc.

METHODOLOGY

The study adopted the content analysis as its methodology as data was obtained solely from secondary sources – journal publications, internet materials, textbooks, magazine. Thus the research was conducted using qualitative method.

DEFINITION OF TERMS

In this study, some concepts like security, human security and conflicts would be defined as to be used in the study.

CONFLICT

According to Albert (2007), conflict is said to be an incompatible interaction between two entities. There are two types of conflict: positive and negative conflict. Positive in this case is when such leads to positive change and development. In this case, the differences between the rivals enable them to discover new ways of doing things and relating with each other. On the other hand, a conflict is said to

be negative if it promotes and produces negative results: Physical harms, deaths, destruction of property and so on. A negative conflict is otherwise known as a destructive conflict whereas the positive one is known as a constructive or productive conflict. In the same vein Nelson and Quick (1997) affirm that conflict is any situation in which incompatible goals emotions or behaviour lead to disagreement or opposition between two or more parties, (Quick and Nelson 1997 in Kalama 2012)

SECURITY

According to Zabadi (2007), in defining security, one need to understand that survival is said to be the first priority for man and this has come to him as a law of nature. The capacity to ensure survival remains the most important preoccupation of all human beings since it is certainly not possible to engage in any activity unless safety is assured. In the same vein Rourke and Boyer (1996) are of the view that one way to think of security is to ponder for insecurity. According to Ekemini (2005) security is a very crucial condition for normal functioning of man and society. The concept of security is quite complex and means different things to different people. Security could mean freedom or isolation from violence. In this sense, one can describe certain parts of the world as insecure when compared to other parts of the world. There is also the idea of security as freedom from want or isolation from certain risk. In this sense, if we talk about food security, its really about capability: the capability of a people to guarantee their food needs usually through implored agricultural techniques. Insurance company provides security in one form or another when people talk of policies.

According to Akinyeye (2001), the concept of security is a multi-faceted one that captures every sphere of human endeavours. This is why people talk about various types of security – psychological security, job security, among others. Each type of security is focused towards a particular kind of threat. Damus sees security from the “prevention” of property damage, injury and loss of lives caused by military means as well as limitation of such damage, casualty as “the protection” of a nation against all types of external aggression, espionage, hostile reconnaissance, sabotage, subversion, annoyance and other inimical influences.

HUMAN SECURITY

According to Hubert (2001), while the term “human security” may be a recent origin, the ideas that underpin the concept are far from new. For more than a century at least, since the founding of international committee of the Red Cross in the 1860s, a doctrine based on the security of people have been gathering momentum. Core elements of this doctrine were formalized in the 1940s in the UN charter, the Universal Declaration of human rights and the Geneva Conventions. The specific phrase “human security” most commonly associated with the 1994 UNDP Human Development Report, is an attempt to capture the post-cold war peace dividend and redirect those resources towards the development agenda. The definition advanced in the report was extremely ambitious. Human security was defined as the summation of seven district dimensions of security: economic, food, health, environmental, personal, community and political. By focusing on people and highlighting non-traditional threats, the UNDP made an important contribution to post-cold war thinking about security. Human Security complements National security. Human Security assert

that the security of the state is not an end in itself, rather it is a means of ensuring security for its people. In this context, state security and human security are mutually supportive. Building an effective, democratic state that values its own people and protects minorities is a central strategy for promoting human security. At the same time improving the human security of its people strengthens the legitimacy, stability and security of a state when states are externally aggressive, internally repressive or too weak to govern effectively, they threaten the security of the people, (Hubert 2001)

THEORETICAL FRAME WORK

PROTRACTED SOCIAL CONFLICT THEORY (PSC)

The study, utilizes the Protracted Social Conflict theory (PSC) and Human Security Theory. The theory, was propounded by Edward Azar in the 1970s. The critical factor in protracted social conflict as posited by Edward Azar, (PSC), such as persisted in Lebanon-his home town and fields of study, Srilanka, the Philippines, Northern Ireland, Ethiopia, Israel, Sudan, Cyprus, Nigeria or South Africa, was that it represented “the prolonged and often violent struggle by communal groups for such basic needs as security, recognition and reacceptance, fair access to political institutions and economic participation”. Traditional security cum conventional war thinking of the conflict between states was seen to have been absorbed by history, hence no longer tenable in analyzing these changes in conflict, (Bamsbotham, Woodhouse and Mial, 2007). The theory specifically takes into consideration conflicts that erupt solely within states with four clusters of variables identified as preconditions for their transformation to high levels of intensity. First, there is bound to be a communal content, the fact that the most important unit of understanding protracted social conflicts occurrence is the identity group – racial, religious, ethnic, cultural and others. Another form of understanding PSC is from the point of view of deprivation of human needs as underlying sources of PSC. Grievances resulting from deprivation expressed by groups failing to attend to such grievances by the authorities may lead to protracted conflict. Such needs may include: Political, security, developmental, identity, cultural or religious expression. The first three corresponding to Henry Shue's three basic rights of security, substances and freedom. Thirdly, in a world in which the state has been endowed with authority to govern and use force where necessary to regulate society to protect citizens and to provide collective goods, where government and state are to satisfy or frustrates individual and identity group needs; most states which experience protracted social conflict tend to be characterized by incompetent, parochial, fragile and authoritarian governments that fail to satisfy basic human needs. Finally, there is the role of what Azar called 'International Linkages' in particular political economy relations of economic dependency within the international economic system and the network of political – military connectivity constituting regional and global dynamics of clientage and cross border interest, (Ramsbothman et al 2007).

The input of this theory, to the study is glaring as its captures the three conflict issues – Niger Delta crisis, Boko Haram – induced internally displaced persons(BIIDS) and the Herds-farmers clashes. These tripartite conflicts are cases for protracted social conflicts as adumbrated by Edward Azar, advanced by Ramsbothsam, woodhouse and Mial (2007). The Niger Delta case have been

documented by scholars as protracted conflict due to the enormity of its destruction, the lingering and unabated turmoil, chaos, destruction and loss to both the Nigerian state in the form of soldiers attacked, reduction in oil, loss in revenue, vandalization, kidnapping, payment for ransom. While it has affected the Niger Deltans in the form of environmental pollution, the several military siege, attack and human right abuses in the form of extra-judicial killings like that of Ken Saro Wiwa and other eight Ogoni youths executed by General Sani Abacha. The Niger Delta conflict which was a conflict with different coloration-self-determination, exploitation without redress leading to violent and aggressive behaviour, resources war etc, makes it fit into the description of (PSC). Also the Boko Haram terrorism, is a classic case of protracted social conflicts, because it has lingered for so long, causing severe humanitarian crisis like the problem of internally displaced and refugee, loss to the economy of the country, threat to foreign investors, tourist, etc. The Boko Haram has religious undertone, as the ideology and aim of Boko Haram, like other Islamic terrorist sect is to dethrone any western and Christian edifices by enthroning Islamic ways. The Boko Haram case is also a matter of identity, a result of a failing system where the government is losing its grip over the monopoly use of violence. Finally, the herdsmen – Famers crisis too congregates into the classification and theorization of PSC. This is evident in the sense that the clash has some undertone of resources – the struggle for land for grazing and farming by both herdsmen and farmers. It is also a thing of identity, needs in the form of the struggle by both herdsmen and farmers over limited land. It is protracted because of the intensity of the conflict and the enormity of casualty in loss of lives, properties and goods, food insecurity, hunger, poverty, etc.

All these conflicts, has effect on the state in the form of insecurity, loss of lives and property, economic decline and other humanitarian difficulties. Conflict of such magnitude leads to severe and unprecedented human security challenges in the form of hunger, abuse of human rights (killing of non-combatant civilians, sexual abuse of women), internally displacement with the resultant challenges they face (sexual harassment, unsanitary and poor hygiene environment, attack by bandits, exposure to harsh atmospheric and weather condition, exposure to wild animals)

HUMAN SECURITY THEORY

The concept of human security, is in principle, given broad definition of security. It places the individual at the centre of security concern, the life as lived, as the true mirror through which we should view the political, economic and social environment. At its core human security means Freedom from fear. There are other antecedents of human security too. The United Nations (UN) has taken a leading role in human rights issues generally and contributed substantially to a developing body of international human rights are ample testimony to the UN's role, including the fact that the UN has woven human rights considerations into the work of virtually all its agencies and commissions, (Mc Ray 2006). In the same vein, 'Abioro and Daramola (2018) are of the view that the concept was popularised by the United Nation Commission Report (2003) and United Nation Development Programme report of (1994), where it clearly demonstrated that human security

involves two main components: freedom from fear and freedom from want which has further been divided into economic security, (access to employment and earning basic income on a sustained basis) food security (economic and physical access to food and balanced nutrition), health security (access to health facilities, medical care and basic drugs as well as protection from communicable and no-communicable disease), environmental security (protecting the environment and natural resources as well as exploiting without compromising its use for future generation), personal security (freedom from physical violence caused by either this state, groups or individuals), community security (freedom to belong to a community or communities) and political security (freedom to hold political views, subscribe to ideologies, belong to and express political views), (Abioro and Daramola 2018).

The input, of the human security theory to this study, brings to clarity of understanding that conflicts of any kind that leads to violent behaviour where lives and properties are lost, engenders severe human security problems in the form of physical damage (properties, lives) economic (employed people will flee away from their base of work, some means of livelihood and survival like office buildings, farms, crafts will be destroyed and affected) socially (internally displaced persons will increase they will face severe health challenges, lacks shelter, drinking water, clean and sanitary environment, being displaced women and girls been sexually abused, the problem of identity also persist), political, (the affected communities or region like the Niger Delta and Southern minority states are all disenfranchised, cheated, marginalized in the National scheme of things, etc).

THE NIGER DELTA CONFLICT AND HUMAN INSECURITY IN NIGERIA

The country, Nigeria, have seen the magnanimity of the all mighty God in terms of vesting enormous natural resources underneath and on the Nigerian soil. These resources include but not limited to oil, manganese, zinc, Iron, coal, copper, limestone, etc while significantly endowed with rich agricultural potentials in the form of crops, arable vast and unused lands, virgin forest and oceans, rivers for fishing, irrigation, international trans-Atlantic trade, for electrification dams, with adequate and untapped human labour, etc. ironically this admirable indices and attributes of the country, which is capable of making the country be at par with developed industrialized Nations have not in any bring such transformation. Rather the country is smacked with all manners of underdevelopment quagmire and menace in the form of poverty, malnutrition, technological and financial dependence in the form of aid, thereby posing the problems of balance of payment crisis. Also the country's resources, mostly oil have been a curse rather than a blessing. This has put Nigeria among the countries suffering from “resource curse”, “the paradox of plenty”, “rentier economy”, with all indices of petro-violence and resource war evident in the Niger Delta. The Niger Delta is currently a vortex of protracted social conflict propped up by crisis of regime legitimacy, political ostracism and social marginalization. The armed rebellion has immense incalculable consequence

for the stability of the nation (Bassey 2015), which is caused by the perceived internal colonialism meted against the Niger Deltans evident in unfavourable revenue allocation pattern, poor development of the region, the insensitivity of the Nigerian elite, turning the region into an ecological disaster and dehumanized its inhabitants. The worst and ungodly form of exploitation experienced by the Niger Deltans is that they provide the revenue for the country and yet be denied a fair share of that revenue because it is perceived that the inhabitant of the area are few in number, (Saro Wiwa 1995:63 in Bassey 2015: 455). In the same vein, Ajala posit that, prior to August 2009, the Niger Delta region of Nigeria witnessed widespread violent conflicts waged between the government, multinational oil corporations (MNCs) and Militant groups. This conflict erupts as a result of existential deplorable human security, which deprived the indigenes of the region access to their source of livelihood due to pollution by MNCs. The region, a home to over 20 million Nigerians, comprising the following states, Abia, Akwa Ibom, Bayelsa, Cross River, Rivers, Delta, Edo, Imo, Ondo, (Oluyemi 2020) located in West Africa's oil-rich gulf of Guinea, with its richness in energy and oil. It contributes about 95 percent of Nigeria's foreign exchange earnings and 80 percent of federal government revenue, continuous violence and disruption of oil exploration have impeded development and human security in the region, (Ajala 2016).

The Human Security dimension of the conflict, is seen and appreciated when one adopts and mirror the Nigerian situation through the 1994 United Nations Human Development Report – Human Security means that people can exercise their choices safely and freely and that they can be relatively confident that the opportunities they have today are not totally lost tomorrow. This report sees human Security from two aspects: First is Safety from threats such as hunger, diseases and repression: Secondly, protection from sudden and hurtful disruptions in patterns of daily life – whether in their homes, at work or in the communities. The report further states that when people perceive a threat to their lives they often become intolerant just like the case of the Niger Delta. Lack of compensation for environmental pollution arising from the activities of oil companies, affecting their livelihoods caused restiveness. The once fertile lands have been damaged and the rivers which provide fish for both commercial and consumption purpose have been polluted. This further breeds the problem of unemployment and underemployment as the only means of survival –fishing and farming have been disrupted by pollution. This is so as the main occupation for the male is Fishing and Farming, while the women engaged in food processing. The World Health Organization reported that three years after Nigeria's return to democracy over 50 incidence of conflict were recorded resulting in death of over 10,000 Nigerians, while several Thousands were reportedly displaced. The Odi Massacre which was state sponsored led to the death of 2,483 people by the Nigerian security forces. The United Nations Environmental Programme (UNEP) carried out a comprehensive research in 2011 about the extent of environmental degradation in the Niger Delta, with the help of both local and international experts who surveyed 122km of pipelines, 4,000 samples of soil and water from different areas and

surveyed 5000 medical records and held 264 meetings attended by over 23,000 people. The findings reveal that the problem of the Niger Delta is as a result of negligence on the part of multinational, (Ajala 2016)

The Niger Delta conflicts, which is seen by many as a critical human security question with an undertone of self-determination for a particular people's right has been misinterpreted by the repressive government of the Nigerian state in both military and civilian regime. The oil, according to the events in the region, worth more than human life that is why the Obasanjo regime was uncompromising in his militarized approach to secure uninterrupted flow of oil to the multinational company leading to violence. Hence the reason why so much was expended in security during the epoch of the Nation's political economy history. As succinctly put by Bassey, the escalation of conflict between the clandestine militant groups (movement for the emancipation of the Niger Delta MEND) and the Niger Delta vigilante and the Nigerian state, has transformed the region into a volatile space exploited by clandestine transnational actors (CTAs) (Bayart, 2000 in Bassey, 2015), employing strategies of extraversion. This made the government to interpret the agitation for social change as criminality and terrorism. Little wonder why the government in its 2008 appropriation Bill of the federal government voted four hundred and fifty billion naira for "Security in the Niger Delta region, while only sixty billion naira was allocated for infrastructure and social programmes intervention through the Niger Delta Development Commission. This gross disparity, it could be argued is symptomatic of the mindset of the dominant bureaucratic faction of the federal establishment whose perception of security in the Niger Delta borders only on the protection of the oil and gas mega structure that contributes "95% of export revenues, 70% of government revenues and about a third of gross domestic products" (Nigeria today, 2001:31 in Bassey 2015).

From above, insightful analysis, retrieved from scholarly literatures, one could see the extent of neglect of human security in the Niger delta-oil rich region by the Nigerian state. That the managers of the state views security from the State centric cum Westphalia tradition is not to be disputed. The idea of security being narrowly skewed in favour of the interest of the elite, while the masses in terms of their fundamental human rights and other basic needs: safety, employment, health, sustainability like their environment which holds the fishing and farming means is severely damaged is not palatable. As explicated above by Bassey, the Nigerian state voting much cash for security while dishing out little for infrastructure and social service shows the level of insensitivity of the government towards human security. Such insensitivity clearly explains the value given to uninterrupted flow of oil to multinationals and the rent seeking nature of the Nigerian elites, while human lives is worthless. Furthermore the conflict clearly brings to bear the "resources curse" pandemonium and the paradox of plenty which depicts a situation where nations blessed with natural resources like: oil and diamond, is conflict-ridden, a rentier state and corrupt without the resource (oil) wealth transforming the society.

BOKO HARAM – INDUCED INTERNALLY DISPLACED PERSONS AND HUMAN INSECURITY IN NIGERIA

The coming of the Fourth Republic Nigeria, on the 29th May 1999, as pointed out earlier was seen as the beginning of a new dawn in the country's political atmosphere. Thus there was the euphoria of hope that the citizens will feel a sense of good governance that would uphold the tenets of accountability, transparency, rule of law, equality before the law, fairness and justice with a sense of human rights, human security in the security landscape of the managers of the Nigerian state. But as many scholars and observers have noted the Fourth Republic has become a Jinx and an albatross, smacked with so many governance pathologies, societal deformities and dysfunctional system. The rate of violent-conflict, corruption, indices of underdevelopment in the form of poverty, unemployment, civil unrest, ethnic and religious tensions, terrorism, the end SARS revolution, herdsmen-farmers clash, etc paints a gloomy picture on the current Republic. The common man has lost confidence in the Nigerian state in terms of security, welfare and protection. Military and security outfits and installation is been attacked on daily basis. One of the threatening vortex of conflict that is threatening the corporate existence of the Nigerian state, is the Boko Haram terrorism. The group has not only shaken the domestic environment, but affected neighboring Lake Chad states – Cameron, Chad, Niger, Mali, etc with its severe humanitarian cost.

According to Nnam, Ugwuoke, Njemanze and Akwara (2019), the term Boko, connotes the Hausa word, meaning book but in this sense, (Western) education, while 'Haram' is Arabic word, meaning religiously forbidden. Hence the full translation of Boko Haram which means “Western Education is forbidden or evil” - its original name is 'Jamaal Ahlas-Sunah lid-dawah wal-jihad' (people of the ways of the prophet for proselytization and Jihad) but was Anglicized Boko Haram in 2002. It was established by Mohammed Yusuf in the early 90s as a socio- religious movements; this radical group was silent and devoid of violence until years later when the group transformed into a monstrous creature engaging in notorious and horrendous crimes. Evidently, going by the Global Terrorism Index - GTI ranking, Boko Haram is the third deadly terrorist group in the world. For over a decade now the group has inflicted horrendous terror in Nigeria, affecting mostly its operational theatre – North eastern parts of Nigeria, leading to loss of lives and infrastructure (Markets, Schools, Hospitals and places of Worship and relaxation, centres (Akinsuyi 2016; Olanrewaju 2014; Olayinka and Musa, 2014 in Nnam et al 2019). The human security aspect of the effect of Boko Haram terrorism is obvious in the educational sector of North Eastern Nigeria. The unpleasant incident of April 15th, 2004, was the abduction of the 276 female students of Government Secondary School, Chibok in Borno State Nigeria, where some were allegedly brainwashed and conscripted into the ranks of Boko Haram to divert the attention of security operatives and were successfully used in suicide bombings, (Nnam et al, 2018 in Nnam et al 2019). This has led to closure of Schools and other social services including ICT due to unabated terrorist attacks to avoid casualties and secure the communities. Even the government's counter terrorism effort has serious human security impact in the form of collateral damage on students, teachers, educational administrators, parents/guardians, and other residents in the Northern part of Nigeria have been educationally, physically, economically, psychologically,

structurally and socially displaced and dislocated and all of this tantamount to serious threats to human security. Many children who were supposed to populate schools in such areas are made to either sought refuge along with their families in neighboring states or country or have been internally displaced, as over 1.4 million children have been forced to flee the terrorist affected area (United Nations children's fund, 2015 in Nnam et al, 2019).

According to Barau (2018), the attacks from the deadly Boko Haram has transformed from being a domestic Nigerian issue to spill over into neighboring lake chad countries: Cameron, Chad, Niger – an area where the citizens there are already facing challenges of climate change. It is estimated that since the escalation of the Boko Haram insurgency in 2010 about two million Nigerian's have fled their homes and ended up in urban areas around the main crisis zones, which only 10 percent of this persons are sheltered in official humanitarian spaces in Nigeria's 13 states (IDMC 2016 in Barau 2018). As of 2014, Boko Haram had total control of Nigerian territories covering an area of 21,545 square kilometers, (Ibrahim et al 2014 in Barau 2016). The implication of this is twofold: one, most of the captured territories are remote rural areas, hence people in such captured territories try to run from Boko Haram for relatively more safe urban areas. Secondly there are challenges of dangers that women, children and aged faces in their attempt to reach cities by foot. These displaced persons faces all manner of dehumanizing conditions like eviction, deception by the political class (around electoral periods) and lack access to shelter, food, water and sanitation. They do not possess the same right as refugees in some developing countries, (Adewale 2016; Zutshi et al 2011; Ladan 2013 in Barau 2018). Only about 10 percent of the Boko Haram victims are accommodated by formal camps maintained by national and international humanitarian organizations that are based mostly in urban areas, (Ibrahim et al. 2014 in Barau 2018). Most often than not, displaced persons are left with the only option of escaping to join fellow poor urban citizens, adding pressure to overstretched infrastructure and under-supplied services. Such persons hardly enjoy any assistances or recognition from local authorities and international humanitarian groups. There is also the ugly experience in the form of physical and sexual violence against children (mostly female) living in humanitarian settings that have severe health and psychological trauma on them. In many instances the settings of humanitarian camps fail to meet the protection needs of women, children and adolescent girls in particular, (Wessells and Kostenly 2013; the Girls Emergency Initiative 2015 in Barau 2018).

According to Uzobo and Akwetie (2018), The rate of internally displaced persons by Boko Haram and Fulani Herdsmen in Nigeria is about 3.3 Million, representing 10 percent of the total IDPs in the world as at May 2014, where 85.68 percent of this is as a result of Islamists sects (International Organization for Migration 2016 in Uzobo and Akwetie 2016). While most of the displaced persons are women, children and girls, are exposed to high risks. women and children constitute more than 50 percent of the internally displaced camps formation. The insurgency has displaced more than two million persons across several states. Currently there are over 2 Million, 122,000 and 123,000 internally displaced persons (IDPs) in Borno, Adamawa and Yobe states. There are over 41,000, 32,000, 29,000 and 10,000 IDPs in Gombe, Taraba, Kaduna and Plateau States respectively. Though the conflict has declined the Adamawa, Borno and Yobe states and some of IDPs have started returning to their communities, displacement continues in some affected areas in the North east. It

has led to low market functioning, reduced land cultivation and destruction of infrastructures such as water, pipelines, bridges, health centres, schools, roads and other amenities, (The Food and Agriculture Organization of the United Nations report 2016 in Uzobo and Akhetre 2016) Many of the states, Jigawa, Kano, Katsina, Kebbi and Sokoto states saw reasonable level of cash crop production, while Plateau and Yobe states experience below average production, the prices of staple food crops across the states were extremely high compared to the five year averages (with margins of 100%-200% increase). With the increase number of vulnerable households in Adamawa, Borno and Yobe, an estimated 4.6 million Nigerians are currently at risk of food insecurity with at least 3million people projected to require emergency food assistance. In January to October, 2016 about 880,700 people received food assistance either in kind or through cash-based transfer, 105,121 received inputs for the production of crops and livestock: 83,102 people received other forms of livelihood support. Health care services remain inadequate in North-eastern Nigeria, particularly in Borno, where Boko Haram insurgents had destroyed at least 75 health facilities as of May. Out of Borno's 27 local government areas, only 13 have access to health care facilities. In response the UN Health sector had assisted in the construction of primary health care facilities of 17,000 new IDP in Borno and Yobe as of late May, IDP camps in Northeastern Nigeria do not have functional latrines and adequate hygiene workers. In response, the GoN and UNICEF have provided 10,000 IDPs in Adamawa with access to improved sanitation facilities. The GoN and UNICEF have also contributed buckets, jerry cans and soap to 3600 residents in IDPs camps in Yobe's Daramaturu town to help facilitate improved hygiene in the area of health. Also many pregnant women in malkoli IDPs camp in Yola, faced reproductive health issues because of the absent of trained birth attendants, poor nutrition, poor sanitation and striking communicable diseases also worsen women's health. Lack of reproductive health services, including treatment for sexually transmitted diseases, put displaced women at high risk of maternal mortality, they are also strike by Malaria. In Borno 50 percent of deaths are linked to malaria; in Adamawa state, malaria, diarrhea and chest infections remain the most important diseases in the camps, (FEWS NET; UNICEF, USAID/FPP in Uzobo and Akwetie 2016).

HERDSMEN-FARMERS CLASH AS A SOURCE OF HUMAN INSECURITY IN NIGERIA

The recent upsurge, in the attack from herdsmen and farmers clash has resulted in untold sufferings in the form of destitute, homelessness, internally displaced persons, food insecurity etc. The atrocity from herdsmen give Nigerian the masses, mostly Christian extraction to view it as another coloration of Islamic terrorism. Such onslaught from herdsmen, has severe food crisis in a country where poverty, hunger, malnutrition and food shortage is growing unabatedly. An attack on farmers risk the country's sustenance with its concomitants food security aspects of human security. The current spate and the enormity of national damage done by her smen is replete in both academic, policy, security and developmental discourse. As trenchantly observed by, (Obo¹durin, Oloye and Adesola (2020), the recent threats facing Nigeria's political, social, cultural, economic and human security in Nigeria is that of herdsmen and farmers crisis. The clash have been spotted and interpreted with a religious undertone, with Christians and Muslims having some confrontations. The clash has culminated into

loss of lives, valuable properties, and destruction of large expanse of lands for agricultural production thereby causing food insecurity as farmers, due to fear no longer go to farm as occurred in February 2018 in Benue, Taraba and Nassarawa State respectively. The result of this is poor food security and availability in an atmosphere, where food shortage has been envisaged. This kind of violence has disrupted socio-economic, religious and educational activities, caused political instability and threatened national unity in Nigeria. The first of herdsman and farmers clash, occurred in Sudan in 1948 and the second in Sudan in 1951, which prompted the migration of Fulani Buroro to Sudan. In 1955, there was a clash/genocide which led to the Sudanese Government issuing a quit notice to all Fulani Bororo to relocate to their home countries. These people were mainly from Borno, Sokoto and Kano States in Nigeria, (Ibrahim 2018 in Obodunrin et al 2020). In April 1956, the Nigerian government sent a delegation team comprising Alhaji Muhammad Ribadu – Minister of Lands, Alhaji Abubakar Akalai of Sokoto Native Administration, Malam Maaji Shani – Legal Adviser Borno Native Administration and Mr. J. R. Knowles – A Senior Veterinary Officer. This led to the Fulani eventual return to Nigeria two years later, (Ibrahim 2018 in Obodunrin et al 2020). The clash has, not only become a serious threat to Nigeria's national security as violent actions have caused deteriorating living conditions. This has also led to more conflicts and breakdown of order in the region. Also, it has breed social dislocation and discrimination. This is so as the previously held integration of Fulani herdsman in many community associations is no longer possible. Thus they have been denied such association, (Michael and Ukpong 2017 in Obodunrin 2020). Though accurate data to confirm deaths resulting from Fulani herdsman clash is difficult, due to absence of dedicated data base, (Nwosu 2017 in Obodunrin 2020). Most of the facts are retrieved from newspapers report of various incidents of such clashes. Some sources has it that since 2001, over 60,000 persons had died from the clashes, making it almost worse than Boko Haram. A BBC report made it public that over 50,000 deaths were caused by the crisis between 2001 and 2004 alone. Of these deaths, women and children accounted for almost 35,000. Another report showed that the economic cost of the herdsman-farmers conflicts in only four states – Benue, Kaduna, Nassarawa and Plateau are about \$14 billion annually. From Agatu in Benue State, Akure in Ondo State, Bukuru area in plateau State, Oke Ogun area in Oyo State, Gassaki and Baki in Taraba to Nimbo in Enugu State, rampaging herdsman seem to be on a mission to draw blood (Obi, Chinwere and Onyejebo, 2018 in Obodunrin 2020). Adetula (2016) decried that the conflicts has led to expending huge monies meant for development and social services to be channeled into security, payment of compensation, reconstruction of destroyed public property, etc. The world bank reported that \$800 million have been diverted away from development to solve problems of conflicts in West Africa, with Nigeria as a key player. The Nigerian government spends roughly N241.8 billion (\$670 million) on security votes, (Mutum 2018 in Obodunrin 2020). Such clashes have led to many human security challenges and human rights abuses, such as: sexual harassment of women, displacement of farmers, reduction in output and income of farmers/nomads, loss of homes, properties and damages to infrastructures, etc, (Ajibefun 2017 in Obodunrin et al 2020).

The Nigerian government in its bid to curb this menacing security threats, have in the past and present dedicated efforts to halt such disaster. For instance, the 1965 establishment of grazing reserves, though natural factors like population growth, urbanization, migration encroached on the designated area. Also in the establishment of the commission for nomadic education in 1989, backed by the law as a way of integrating the nomadic pastoralist into natural life through mobile basic education and skill acquisition. Another measure was the use of the Armed Forces to curb internal security. In Plateau this gave birth to the deployment of the Operation Safe Haven Task Force (STF-OSH) to checkmate herdsmen onslaught, operating to Southern Kaduna State. The establishment of the national grazing reserve bill 2016 to address herdsmen- farmers conflicts. The bill did not meet the light of the day due to stiff opposition. The sponsors of the bill dovetailed from the 1978 land use Act, which vest all powers related to the regulation of ownership, acquisition, administration and management of Nigerian land with the state governors. But the state governors and their representatives vehemently opposed the bills. The proposed cattles ranching systems of 2018, also was another step towards tackling the menace of herdsmen-farmers pogrom. But states like, Benue, Ekiti and Taraba were the front line states in the opposition by enacting state laws prohibiting open grazing as occurred in Benue on 20 May, 2017. The Great Green Wall Agency of the Federal government in 2013 which was a fall out from the 2007 African Union Great Green Wall initiative that aimed at encouraging member states to plant 8000km of trees along the Southern Sahel to counter the effects of desertification along the area. This is because unabated desertification along the desert pushes herders to migrate to new lands. However the Nigerian government lacks the political will, while there is no sincerity in tackling the herdsmen saga. Even the 2019 policy of rural grazing area was met with fierce on position, (Obodunrin et al 2020)

In the same wavelength, Awotokun, Nwozor and Olanrewaju (2020) are of the view that, the herdsmen - Farmers clash is not without humiliating effects on human security and human rights. This is indubitable as it leads to displacement of persons from their homes to become exiles and refugees. The effect of this at the micro level, is that such displaced persons suffered in diverse ways, namely the indignity of relying on state hand-outs and charity for survival, traumatization emanating from forceful dislocation from their ancestral abode, destruction of their means of livelihood and consequent descent into poverty trap. At the macro level, government policies adopted to meet certain international benchmarks have been truncated, hence retarding such efforts. The herders, also have continuously experienced lost running up to more than 64,750 stolen cows by rustlers, with at least 2,991 herders killed in the process, between 2011 and 2015, while bandits and other criminals killed 1,135 people, (international crisis of group 2017 in Awotokun et al 2020). This also resulted to huge economic loss to the Nigerian state. As informed by the Mercy Corps, this atmosphere of insecurity and uncertainty created by the conflicts reduces the capacity of both farmers and herdsmen to produce optimally. An average household in these conflict prone communities would

experience at least 64% or potentially 210% decrease in income due to conflicts. This is possible because most of them would be afraid to pursue their source of livelihoods for a long time for security reasons. The impact is worst in food insecurity, leading to famine, which will inevitably breed malnutrition, an outbreak of preventable diseases, stunting in children and a rise in child and maternal mortality. Also the various state government will suffer tax income, (Mercy Corps 2015 in Awotokun et al 2020).

In the same vein, Muhammad and Baba (2018) are of the view that, the incessant farmers- herders crisis have threatened the security of the state, reduced its economic productivity and worsened food insecurity in Nigeria. Though we have experienced such clashes in the past for more than decades, the escalation reached a high proportion in 2014 with the Fulani herdsmen killing 1,229 people in comparison with 63 deaths in 2013 with more than 500 deaths as at July, 2016 and January, 2018, More than 73 persons were given mass burial in Benue State alone. This has prompted the United Nations and other reputable international organizations to term the Fulani herdsmen as the “Second most dangerous group in Nigeria”. The remote cause of this could be traced to resource scarcity: existing scarcity in arable land and water sources that are equally essential to sustain crop cultivation and cattle herds. This scarcity is engendered as a result of expansion of farming activities across the country, farmers encroachment on grazing routes and as such have expropriated land designated for grazing reserves, while herders often destroy crops, pollute water sources and trespass on farms to feed their cattle. This is further exacerbated by the increase in population of farmers, herders and their herds, increasing scarcity of arable land due to droughts, impending desertification of the Sahel-Savannah, land degradation and cultural differences among ethnic groups that predominantly farm or graze cattle, (Fiki and Lee, 2005 in Mohammed and Baba 2018).

DATA ANALYSIS AND RESULTS

The data, which was gotten solely from secondary sources in a qualitative analysis and the three hypothesis tested using content analysis reveals the following below:

That the democratic practice of the Nigeria's Fourth Republic met with certain constellation of forces which truncates and distorts the success of democratic principles like: rule of law, transparency, accountability, preservation of human rights, human security (food, environment, education, health, human rights etc.) the devastating impacts of conflicts of different coloration in the form of Niger Delta oil/resource war, Boko Haram and the Herdsmen-farmers clash has not allowed for the flourishing of democracy in Nigeria.

From the results and findings from Hypothesis I, indigenes of the Niger Delta oil-producing states can no longer enjoy their rights to economic life and resources. Here one sees the experiences of the Niger Delta oil producing states where beginning from 1999 when the issue of marginalization of the oil producing states became a burning issue of National concern. The next level was the violent protestation and confrontation

between the Nigerian state oil multinationals and militant youths. The militancy also came with its own destruction and distortion of democracy. The nation lost huge revenues, properties and lives of both civilians and military/security personnel. The kidnapping for ransoms embarked by the youths was a threat to humans. Based on the findings from hypothesis two, the Boko Haram conflict, has cost many lives, properties and unleashed terrible humanitarian problems in the form of internally displaced persons who flee their homes, jobs, religious place of worships etc. to seek refuge in unsanitary places where there is no adequate care, protection and social amenities. Most of the IDPs, mostly the females are abused sexually by the security personnel and bandits. The IDPs were made to face severe and unbearable environmental challenges. Thus, there were living under unsanitary and unhealthy environments without hygiene.

Findings from hypothesis III. The same issue is associated with the Herdsmen Farmers Conflicts. Apart from loss of lives and properties, food crisis looms as farmers are killed, and they flee their farmlands, even livestock and are also killed too. The problem of displacement too surfaces as people flee their homes due to attacks. As farmers flee from farms, food becomes scarce, expensive and joblessness set in.

From the above, one could deduce that the democratic experience of the Nigerian state has been in boiling trouble waters that seems inescapable. Also, the idea that democracy breeds development have not been a reality in the Nigerian case. Democracy and development can not prevail in such a state that is in anarchy, failing and incapable of protecting lives and properties. Suffice here that the social contract that binds the government and governed have been bastardized and defeated in the Nigerian case. This is glaring as the level of insecurity arising from bandits, Boko Haram, unknown gun men, herdsmen continuously wreck the Nigerian state, while the government seems unwilling and incapable to take necessary steps to tackle such.

CONCLUSION

The study, was set out to unravel the level of conflict experienced in the Nigeria's Democratic Fourth Republic beginning from 1999 till date. The coming of the Fourth Republic on the 29th May, 1999, was embraced with enthusiasm, optimism and hope that the country - Nigeria has entered not just a new phase of its National life, but a period expected to advance and enhance the wellbeing of the entire masses not minding religious, ethnic, party or tribal affiliation. Thus the dividends of democracy – rule of law, human rights development, justice, equity, towards the attainment of egalitarian society for all. Ironically the nation has seen the worst form of underdevelopment. The Fourth Republic, has remained a jinx and disappointment in the area of security (human and developmental). This is so as the period, beginning from 1999 the country has been wrestling with all manner of insecurities ranging from many ethnic, religious, boundary, communal clashes, electoral violence of different kinds, all consuming lives and damaging properties and drifting the Nigerian state towards a candidate of a failed state. Social and developmental services are in shambles as monies voted for such endeavours are being swindled by corrupt, inept and wicked politicians. The

insecurity caused by Boko Haram, Herdsmen and recently unknown gun men have truncated the democratic dividends, peace and stability, economic development in whatever form.

Democracy, cannot thrive in such a chaos, insure, conflict-ridden atmosphere like Nigeria. The country would rather degenerate into chaos and abyss if all these anomalies and pathologies are not addressed immediately, worst is, there is drum and echoes of war, division and disintegration everywhere. The government's response towards the killings perpetrated by herdsmen is lack lustre, the security operatives – Army and Police have been endangered species as they are being killed, their formations - stations burnt, weapons carted away.

Human Security, in the fourth Republic beginning from 1999 is not in anywhere upheld by the managers of Nigerian state. Food crisis looms, unemployment skyrocket, poverty roams the homes, street and cities of the country.

RECOMMENDATION

1. A robust security thinking of both the political managers of the Nigerian state policy makers. Thus the erstwhile militaristic thinking of security that pays little or no attention to human security, safety and development should be over hauled and streamline to accommodate issues such as food, health, environmental, physical security, etc.
2. There should be strict, uncompromising and sincere monitoring of programme and policies that concerns security, welfare and poverty alleviation in the country. This is important as evidence has shown that from inception the country has been coming up with capable policies that if properly guided and implemented would have engender development in all ramifications, but there is always the problem of implementation as corruption, nepotism, political settlements, party consideration takes the stage while competency and national interest is neglected.
3. The cogent need, to make the military and security apparatus work efficiently, patriotic, and with the national interest. This is in a way of ensuring their needs are met in terms of finances for their welfare, logistics in terms of availability of weaponry, intelligence gadgets, etc.
4. Corruption should be highly tackled in a more strict and sincere manner.
5. Also the entrenchment of sound democratic tenets – rule of law, tolerance, equality in distribution of resources, transparency, justice and fairness in all National life.

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EFFECT OF FINANCIAL RISK MANAGEMENT ON FINANCIAL PERFORMANCE OF LISTED DEPOSIT MONEY BANKS IN NIGERIA

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ABSTRACT

The study's main objective is to examine the effect of financial risk management on the financial performance of listed deposit money banks in Nigeria. Using an ex-post facto research design, the study adopts a Panel data in order to analyze data gotten from audited financial reports (2014 to 2020) of 10 deposit money banks that are purposively selected from the Nigerian Stock Market. The study findings showed that both cash flow risk and bankruptcy risk are seen to have a negative insignificant effect on earnings per share of deposit money banks in Nigeria. While credit risk affects earnings per share of deposit money banks in a positive insignificant way. Thus it is recommended that better risk management in terms of a managed fund, reduction in the cost of bad and doubtful loans, and debt-equity ratio results in better banks performance. Thus, it is of crucial importance that banks practice prudent risk management of their assets to maximize investors' wealth. Also, it is fundamental for banks in Nigeria to practice scientific credit risk management, improve their efficacy in credit analysis and loan management to secure as much as possible their assets, and minimize the high incidence of non-performing loans and their negative effects on financial performance. Finally, bank managers should improve on the management of bankruptcy risk through regular review of credit limits of their customers as well as the credible practice of credit control procedure.

Keywords: “Financial risk” “Cash flow risk” “Credit risk” “Bankruptcy risk” “Earnings per share”.

INTRODUCTION

Firms' financial overall performance has been affected by financial and economic crises globally (Osongo, Muathe & Mwangi, 2021), especially the present-day Covid-19 pandemic has affected all spheres of the financial world and banking sector is inclusive. Before now, there has been preceding international financial crisis from 2008 to 2009 which ravaged the financial sector this led to great reforms to cater for financial risk associated with liquid assets of the banks (Pakhchanyan, 2016). The crisis led to erosion of the investor trust in the capability of banking firms to control risks effectively (Oyerogba, Ogunbade & Esiemogie, 2016). To mitigate such reoccurring issues, researchers have dived into the study of financial risk and underlying management of such risk. A research study by Muriithi (2016) suggests that effective management of financial risk mitigate

harsh effects of financial risk posed crises and preserves banking firms' financial performance in terms of securing the banks' expected earnings on investment.

Notably, the financial and economic performance of companies plays a pivotal function in the growth and development of a country (Halkos & Salamouris, 2004; Jamal, Mohamed & Ali, 2014). This is due to the fact firms, especially those in the financial sector have to control and manage a massive volume of transactions that relates to trade volumes and economic activities (Fan & Yijun, 2014). Accordingly, investors, capital market participants, and different stakeholders need to apprehend or understand that the financial overall performance of banks accompanied by banks activities like granting credit, and other financial services if not managed against risk will definitely affect economic activities of a nation (Gadzo, Kportorgbi & Gatsi, 2019). According to Ezejiofor, Adigwe, and John-Akamelu (2015), the potential of banks and other financial firms to meet their current financial obligations, operating costs, and their financial performances are related to some financial risks. El-Ansary (2019) stated that the financial overall performance evaluating tool of earnings per share is regarded suitable for financial firms performance analysis in the sense, it caters for stakeholders' interest as it relates to financial risk management position of the firms (Nataraja, Nataraja & Ganesh, 2018). Without management of risk associated with investment in liquidity, banks cannot make returns on investment without issues. According to Muriithi and Muigai (2017) financial risk threatens the financial sustainability, stability and overall performance of the banking sector as regards to earnings and other predicted returns. This is why Arroyave (2018) noted that financial risk generates volatility in a bank's reserves, share prices, and the operational cost of their commercial activities which affects predicted earnings. If the financial risk associated with liquidity of banks investment is no longer addressed systematically it can result in inconsistent financial performance by banks and earnings for the stakeholders and affect financial firms' revenues and net worth occasionally with disastrous systemic consequences as proven by Enofe, Ekpule, Onobun, and Onyekweni (2015).

From the Nigerian banking firms' perspective, there are researches on banking sectors and associated financial risks. For example, the research by Olaoye, Ogbebor, and Okusami (2020); Olalere, Aminul, Yusoff, and Shamsuddin (2018); Achumba, Ighomereho, and Akpr-Robaro, (2013); Kanu and Isu, (2016); Kanu and Okorafor, (2013); Nwankwo, (2013); Uchenna and Agbo, (2013) Olalere and Wan, (2013) illustrate the effects of financial -risk on the financial performance in their studies. Specifically, Olaoye, et al., (2020) opined that most banks operating in Nigeria in a bid to perform got involved in a couple of risks such as credit risk, cash-flow risk, and underfunding which made some banks in Nigeria function with a capitalization of much less than \$10 million. Despite these studies, the financial risk management and financial overall performance of banks continue to nosedive to a point that the Nigerian banks pronounced losses lately at an alarming rate (Kanu & Isu, 2016).

Problems of inconsistencies, financial risk management and the degree of non-performing loans of Nigerian banks are exceptional (Isiaka, 2018).

Statement of problem

From the Nigerian perspective, the hassle of financial risks and the financial overall performance of firms in the banking sector area is quite complex and unresolved, ranging from the problems of bad and inadequate profitability, the hassle of unsustainability, incapacity to create more earnings value for the shareholders' and meager earnings per share invested (Kanu & Isu, 2016). Lending credence to this, Olalere, Aminu, Yusoff, and Shamsuddin (2018) opined that financial risk management in banks are particularly challenging and unique from other risk issues the banks are exposed to, as it is now not solely systemic in nature, however asymmetric, lowering banks' financial and non-financial performances leading to massive losses, loss of confidence of both investors and depositors alike.

As a result, banks are ridden with issues of massive non-performing loans, in-house fraudulent practices, and a high degree of disposition of unprofessionalism amongst the managers in managing such risk, coupled with inadequate board monitoring in line with excellent corporate governance mechanisms (Oyerogba, Ogunbade & Idode, 2016). This research in consideration of these problems, and to make contributions and lengthen the frontiers of knowledge on how this problem can be ameliorated significantly proceed to proffer solutions to the issues of the financial overall performance of banks through investigating the effect of financial risk management on the financial performance of listed deposit money banks in Nigeria.

The objectives of the study

The study's main objective is to examine the effect of financial risk management on the financial performance of listed deposit money banks in Nigeria. Specifically, the study seeks to;

1. Determine the effect of cash flow risk management on earnings per share of listed deposit money banks in Nigeria.
2. Evaluate the effect of credit risk management on earnings per share of listed deposit money banks in Nigeria.
3. Ascertain the effect of bankruptcy risk management on earnings per share of listed deposit money banks in Nigeria.

LITERATURE REVIEW

Conceptual Framework

Financial risk management entails a systemic way of managing all kinds of risks related to financing and investment (Muriithi & Muigai, 2017). In the case of banks, it is continually debilitating and oftentimes, beyond managing financial losses however, a reputational issue of following guidelines

in hedging in opposition to all varieties of risk related to financial institution liquidity position (Sisay, 2017). Often, it is understood to consist of only downside risk management. Ideally, Shrivastava, Kumar, and Kumar (2018) argued that the idea of financial risk effective management is concerned with planning towards mitigation of the risk related to the day-to-day activities of banks. Presumably, one of the oldest and most difficult kinds of risks banks face in the procedure of carrying out its official operational responsibilities which include; cash flow risk, credit risk, and bankruptcy risk (Stulz, 1996; Wangalwa & Muturi, 2018). Financial risk issues stem from diverse causes, which include defaulting in loans reimbursement that results in non-performing loans better recognized as credit risk, cash flow risk emanating from liquidity management, and bankruptcy risk related to insolvency. All these financial risks if not managed correctly managed may affect the financial overall performance of banks.

The notion of financial performance is an appraisal measure of the degree of a firm's policies in yielding the preferred financial goal in monetary terms (pinto et al., 2017). Makokha, Mukanzi, and Maniagi (2016) opined that financial performance is a measure of a business enterprise's health and the managers of such establishment's performance and standard operational efficiency and its capacity to optimally make use of the assets available to it. The financial performance of banks ought to be used as a yardstick to measure any other bank in the same category in terms of size, capitalization, and workforce strength who serve in the same industry (Abdolazim, 2014; Kariuki & Peddy, 2017).

The financial overall performance of banks should be a reflection of the developments in the banks' profitability and economic value added in terms of earnings per share invested, and management of risk (Haile Getacher & Tesfay, 2014) and many others like how fast it concludes a loan facility request and capability to manage the loan facilities, the low degree of non-performing loans (Arroyave, 2018; El-Ansary, 2019; Fan & Yijun, 2014). The study by Makokha, Mukanzi, and Maniagi (2016) and that of Shrivastave, Kumar, and Kumar (2018) posited that financial overall performance is the measure of how well a firm makes use of its resources to generate revenues. This definition is used as a common measure of a firm's standard financial soundness over a given duration of time and can be used to examine similar companies in the same industry and across the industry in aggregate. Financial overall performance measures are directed at reviewing the efficient and tremendous utilization of resources accessible to a firm aiming at maximizing returns of a business enterprise as presented in financial statements. Similarly, Kariuki and Peddy (2017) opined that the financial overall performance of a business permits managers and decision-makers to measure the consequences of enterprise strategies and activities in objective and impartial financial terms. It, therefore, helps measurement of a firm's overall financial fitness over a given period and can be used to examine comparable companies across the same industry.

Theoretical Review

The study is anchored on Uncertainty Theory. Uncertainty theory was once propounded by authors like Akerlof (1970). The uncertainty theory is dedicated to managing incomplete information. To a large extent, it is similar to the probability concept due to the fact it is based on set functions. It differs from the probability concept due to the fact of the use of a pair of twin set functions as a substitute for only one. According to Ahmad (2017); and dey, et al., (2018) probability theory lies at the crossroads between fuzzy sets, chance, and non-monotonic reasoning. Possibility or probability theory can be solid either in an ordinal financial risk management setting or in a numerical setting. In helping the uncertainty theory towards propagating financial risk management models, Shrivastava, et al., (2018) posited that the significance of uncertainty theory particularly in the grasp of probability and statistical instinct in the financial sense can't be overlooked. This is because taking uncertainties into concerns helps with financial planning and modeling that cater for detrimental results of risk related to investment in liquid assets as is the case with banks.

Contrary to the proponents of the uncertainty theory, Mokokha, et al., (2016) found flaws in the theory. They argued that forecasting financial risk making a suitable choice may additionally no longer necessarily be a way of properly managing the risks and overcoming the challenges posed by such alternatives requiring modeling of such investment choices below uncertainty without the utilization of opportunity or probability theory. Financial risk and every other risk are interlinked with uncertainties. The financial overall performance of banks hangs on the balance of insolvency and uncertainties and this may want to create an unstable environment for current and plausible investors and financial institution clients in Nigeria. Consequently, the uncertainty theory is considered fantastic and appropriate for this study.

Empirical Review

Osongo, Muathe, and Mwangi (2021) investigate the implications of financial risk on the performance of firms in Kenya. They utilized an explanatory research design. Their target population was 14 companies listed on the Nairobi Stock Exchange. Using a Panel regression model, they discovered that credit risk had an insignificant, impact on return on equity, whilst cash flow risk had a significant, effect on return on equity and operational risk had a positive insignificant effect on return on equity. The positive coefficients from the data evaluation indicated that commercial and service firms listed at Nairobi Stock Exchange have been able to take in extra credit to improve the performance of these companies however the negative coefficients indicate that within the duration of the study these organizations witnessed high liquidity issues in that the current liabilities surpassed the current assets.

Olaoye, Ogbebor, and Okusami (2020) examined the impact of financial risks on the overall performance of deposit money banks using data from the Nigerian Stock Exchange. Using the panel regression model, they discovered that credit risk is negative and statistically significant to deposit money banks' performance. They additionally discovered that cash flow risk is inversely and insignificantly associated with banks' profitability and bankruptcy risk has negative effects that are statistically insignificant to banks profitability.

Isiaka (2018) assessed how cash flow risk affected insurance companies' performance listed in Nigeria. Cash flow risk was the independent variable with the measure being claimed loss ratio, premium growth, and leverage. For company performance, return on equity was used as the proxy. The study adopted panel multiple regression techniques. The findings showed that leverage had a significant negative impact on return on assets. This study as an alternative used return on equity as a measure of overall performance and current ratio as the measure of cash flow risk.

Wangalwa and Muturi (2018) sought to look at operational risk and the overall performance of Supermarkets in Nairobi County. Cost to profits ratio was utilized as an indicator of operational risk whilst return on assets was the representation of financial performance. A descriptive research design was employed with quantitative data. The research was supported by extreme value theory, financial risk principle and company cost maximization theory. Multiple regression to ascertain the effect and relationship between operational risk on return on asset of supermarkets in Nairobi County was used. From their findings, operational risk negatively affected ROA. This study delivered value through shifting focus from supermarkets in Nairobi County and as an alternative broadened the scope by reviewing the whole commercial and services sector of the securities exchange and introduced two extra financial risk indicators, particularly credit risk and cash flow risk.

Sisay (2017) reviewed how financial risk affected the financial performance of insurance companies in Ethiopia. The thesis used panel survey techniques and unstructured in-depth interviews. The study used six independent variables which included credit risk, cash flow risk, and solvency risk. The dependent variable for overall performance was returned on assets (ROA). The result of regression indicated that credit risk, cash flow risk, solvency risk had a negative and essential influence on the profitability of insurance firms in Ethiopia. This research bridged the contextual gap by way of assessing insurance companies and used return on equity as the proxy of performance.

Muriithi (2016) investigated the impact of financial risk on the financial performance of banks in Kenya. The quantitative research design was adopted in the study, the use of forty-three Banks licensed by CBK as of December 2014. Time Series Cross-Sectional unbalanced secondary panel data was used for the analysis. The data was obtained from published financial reports/ statements of, all forty-three Banks in Kenya, CBK, and the Banking survey publications for ten years from 2005 to

2014. The research used financial ratio analysis and panel data methods of random effects, fixed effects estimation, and generalized method of moments (GMM) to purge time-invariant unobserved company unique effects and to mitigate potential endogeneity problems. The findings of the study indicated that credit, market, liquidity, and operational risks have a significant negative impact on return on equity. The element of financial risk that had the most influence on financial performance was the cost to earnings ratio. The research study concluded that there existed an inverse relationship between financial risk and financial performance of Kenyan Banks. Hence the Banks together with the financial institution supervisors make a trade-off between financial risk and financial performance.

Eptimehin and Obafemi (2015) carried out research to look into the effect of financial risk administration on the financial growth and economic value-added and health of some financial institutions in Nigeria. The research used a survey research format and obtained validated questionnaires from one hundred fifty respondents from distinct financial institutions, such as banks, insurance, stockbrokers, and microfinance companies. Analysis of Variance (ANOVA) was used to test the hypothesis and the response of respondents was analyzed thru the use of Statistical Package for Social Science (SPSS, 20). The result showed that financial risk administration had a tremendous positive impact on economic value-added and financial growth and health in the financial sector.

Jamal, Mohamed, and Ali (2014) researched the impact of financial risks on firms' performance. The study was once based totally on armchair analyses. The study used descriptive and simple regression to analyze data sourced from the selected companies, for a period of four years (2000-2013). The researchers concluded that financial risks had a significant impact on the performance of firms selected for the study. the study revealed that operations in form of asset acquisitions and preservation of current assets as globalization opens up the firm to more competition, which in the long run affects its performance. Also, that financial and credit risk influences lending and borrowing by financial firms. Finally that foreign exchange risks make firms incur unpredictable losses consequently affecting their performance.

Olalere and Wan (2013) investigated the effect of credit risk on the profitability of Banks in Nigeria. Specifically, the research sought to determine the considerable consequences of credit risk and its indicators; and the relationship between the indicators that affect the profitability of banks. A total of eight Banks have been selected for the research for a duration of four years (2011-2014). A panel data evaluation was employed for the research to furnish the analytical model while validity and reliability tests were carried out. The study discovered that there was a negative and significant relationship between non-performing loan ratio and profitability; a negative and insignificant relationship between debts to total assets ratio and profitability, and a positive and insignificant relationship between debts to equity ratio and profitability of banks at some stage in the duration of

the study. In general, the outcomes proposed that banks need to refocus on the effective administration of their inherent risks which frequently affect their profitability and financial viability. Therefore, the study concluded that credit risk impacted on profitability of Banks in Nigeria.

METHODOLOGY

This study used *an ex-post facto* research design. Panel data was used due to the nature of the stated model variables, for multiple regression analysis, since there are firm-specific variations in the level of risk management and earnings per share reported. The study data is gotten from audited annual reports of 10 deposit money banks purposively selected for the study from 2014 to 2020. The population of the study consisted of the 14 listed Banks on the floor of the Nigeria Stock Exchange (NSE) as of 25 June 2021. A convenience random sampling technique was adopted for the study. The criteria for sample selection hinged on consistency on the market, availability and clarity of data as reported in the financial reports of the selected banks.

Mathematic model:

Earnings per share = f (Cash flow risk + Credit risk + Bankruptcy risk)

Econometric model:

$$EPS_{it} = \alpha + \beta_1 CFR_{it} + \beta_2 CRDR_{it} + \beta_3 BKR_{it} + U_{it}$$

EPS = Earnings per share (Log of reported earnings per share of the bank at a time)

CFR = Cash flow risk (Short term loan to total deposit)

CRDR = Credit risk (Bad loan provision to total loan)

BKR = Bankruptcy risk (Operating cost to Net income)

U = error term

it = cross-section & time

β = Beta coefficient of the model.

Decision rule: to accept the null hypothesis if the calculated probability value is greater than the significant probability value of 0.05 (5%)

ANALYSIS OF DATA

	CFR	CRDR	BKR	EPS
Mean	0.062165	0.137631	0.076203	1.977720
Maximum	0.302689	0.243683	0.652156	2.842609
Minimum	0.002880	0.043015	0.000147	0.778151
Std. Dev.	0.061868	0.039047	0.138891	0.471748
Skewness	2.166848	0.128361	2.327757	-0.434508
Kurtosis	8.093870	4.046830	8.263130	2.441972
Jarque-Bera	130.4579	3.388469	144.0085	3.110870
Probability	0.000000	0.183740	0.000000	0.211098
Observations	70	70	70	70

Source: Author's compilation 2021

Table 1 presents the descriptive statistics of all the variables. The number of observations for the study is 70.

The result reveals that cash flow risk (CFR) reflects a mean of 0.062165 with a deviation of 0.061868. CFR also reveals a maximum value of 0.302689 and a minimum value of 0.002880. Credit risk reveals a mean of 0.0137631 with a deviation of 0.039047. CRDR further reveals maximum and minimum values of 0.243683 and 0.043015 respectively. Bankruptcy risk has a mean of 0.076203 with a deviation of 0.138891. Furthermore, BKR records a maximum and minimum value of 0.652156 and 0.138891. More so, the earnings per share result reveal maximum and minimum values of 2.842609 and 0.778151... EPS also reveals mean and standard deviation of 1.977720 and 0.471748.

To ensure that the fluctuations that have occurred do not distort the outcome of the regression result of the study, the skewness test is used as a further data validity and stationary test. The skewness test reveals values for all the variables within -2.5 to +2.5 which is within the accepted range.

Data Validity Test

To ensure that the results are robust, several diagnostic tests are conducted to enhance the validity of data and model specified for analyses. As such, data diagnostic test such as the Unit root test is computed.

Unit Root Tests

To avoid running a spurious regression, a unit root test is carried out to ensure that the variables employed in this study are mean-reverting i.e. stationary. For this purpose, the Levin, Lin & Chu test and Augmented Dickey-Fuller (ADF) and Johansen Co-integration test are employed to test for stationary data. The result of the test is presented in the table below:

Table 2. Unit Root Test Table

Variable	LLC (Common P-value)	ADF (Individual P-Value)	Order	Difference
EPS	0.0000	0.0009	I(1)	1 st
CFR	0.0000	0.0078	I(1)	1 st
CRDR	0.0000	0.0030	I(1)	1 st
BKR	0.0000	0.0008	I(1)	1 st
Coint	6/11	6/11	6/11	6/11

Null: There is serial Unit Root in the data

Source: Author's compilation 2021

The table above shows the result of the first test required to know the common and individual stationarity of the variables. For the common stationarity test, the Levin Lin Chu (LLC) test for common stationarity is used which considers lags in data series. All the variables show an LLC P-value less than 0.05 which depicts stationarity at 1st difference. The Augmented Dickey-Fuller (ADF) unit root test result for individual stationarity is interpreted using the p-value to ascertain the level of individual stationarities of the panel variable data. The data were all stationary at 1st difference. Since the variables data set are all stationary at the 1st difference order, the Johansen cointegration test is carried out to ascertain both the long run and short run interaction of the series in order. The cointegration test reveals the presence of cointegration; since 6 out of 11 tested criteria have probability values of less than 0.05. Thus, the study adopts a Panel regression as the most appropriate method for further regression analysis.

Model analysis

Table 3: Model Summary

Test Summary	Chi-Sq. Statistic	Prob.
Cross-section random	4.427049	0.2189
Variable	Coefficient	Prob.
C	1.975564	0.000
CFR	-0.881281	0.2914
CRDR	0.436235	0.7429
BKR	-0.040663	0.8968
R-squared	0.0175	
Adjusted R-squared	-0.0271	
F-statistic	0.392647	Durbin-Watson stat 1.626202
Prob(F-statistic)	0.758687	

Source: Author's compilation 2021

Table 3 presents the regression result between CFR, CRDR, BKR, and EPS. From the model summary table above, the following information can be distilled.

To enable the study to choose between the fixed effect model and the random effect model, a Hausman Test is conducted. The result of the Hausman correlation test above shows a period random probability value of 0.2189 with a Chi-square statistic of 4.427049 which is not significant thus informs the study decision to choose the random effect model in other to capture banks' specific difference in risk measurement not included in this study that might cause variations in the model specified.

The R² which measures the level of variation of the dependent variable caused by the independent variables stood at 0.0175. The R² otherwise known as the coefficient of determination shows the percentage of the total variation of the dependent variable (EPS) that can be explained by the independent or explanatory variables (CFR, CRDR & BKR). Thus the R² value of 0.0175 indicates

that 1.75% of the variation in the earnings per share of listed deposit money banks can be explained by a variation in the CFR, CRDR, and BKR while the remaining 98.25% (i.e. $100-R^2$) could be accounted by other variables not included in this model like the credit regulatory policies prescribed by the government.

The adjusted R^2 of approximately -0.0271 indicates that if other factors are considered in the model, this result will deviate from it by only 0.0446 (i.e. $0.0175 - -0.0271$). This result shows that there will be a further deviation of the variation caused by the factors not considered by included by 4.46%.

The regression result as presented in the table above to determine the relationship between CFR, CRDR, BKR, and EPS shows that when all the independent variables are held stationary; the EPS variable is estimated at 1.975564. This simply implies that when all independent variables are held constant, there will be an increase in the EPS of listed deposit money banks up to the tune of 1.975564 units occasioned by factors not incorporated in this study. Thus, a unit increase in CFR will lead to a decrease in EPS by 88.1%. But a unit increase in CRDR will lead to an increase in EPS by 43.6%. While a unit increase in BKR will lead to a decrease in EPS by 4%.

Finally, the result shows that there is an insignificant variation of Fisher's statistics (0.392647) at 0.758687 probability value, which means the model as a whole is statistically insignificant at an autocorrelation level of 1.626202 (Durbin-Watson) see. Gujarati and Porter (2010).

H01: Cash flow risk has no significant effect on earnings per share of listed deposit money banks in Nigeria.

Since the calculated probability value for CFR (0.2914) against EPS is greater than the accepted probability value of 0.05. The null hypothesis is accepted and the alternative rejected thus; cash flow risk has no significant effect on earnings per share of listed deposit money banks in Nigeria.

H02: Credit risk has no significant effect on earnings per share of listed deposit money banks in Nigeria.

Since the calculated probability value for CRDR (0.7429) against EPS is greater than the accepted probability value of 0.05. The null hypothesis is accepted and the alternative rejected thus; credit risk has no significant effect on earnings per share of listed deposit money banks in Nigeria.

H03: Bankruptcy risk has no significant effect on earnings per share of listed deposit money banks in Nigeria.

Since the calculated probability value for BKR (0.8968) against EPS is greater than the accepted probability value of 0.05. The null hypothesis is accepted and the alternative rejected thus; bankruptcy risk has no significant effect on earnings per share of listed deposit money banks in Nigeria.

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ANALYSING THE STRATEGIES FOR CURBING ELECTORAL VIOLENCE IN NIGERIA

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ABSTRACT

Periodic and peaceful elections are the fundamental principles of democracy. It is the only means through which social renewal and regeneration are maintained in the polity in a democratic setting. Free, fair and credible election is the yardstick for measuring the developmental level of modern democracy. Election violence in Nigeria predates our political independence, as it dates back over a hundred years. From the colonial days of Indirect Rule under the Great Britain to post independence, and a series of military regimes and civilian republics, elections conducted in Nigeria have been marred by violence. Our political actors seem to have, over the years, taken advantage of some deficits in our legal frameworks, coupled with our institutional weaknesses to turn this noble exercise into a dreadful show. This paper seeks to review the nature and causes of electoral violence in Nigeria over the years, and also explore possible strategies for curbing the menace.

Keywords: Strategy, Curb, Electoral Violence, Nigeria.

INTRODUCTION

Election violence in Nigeria pre-dates our political independence, as it dates back over a hundred years. From the colonial days of indirect rule under the Great Britain to post-independence and a series of military regimes and civilian republics, elections conducted in Nigeria have always been marred by violence. It has been noted that one of the major challenges confronting election management bodies and other stakeholders is how to create a “peaceful environment where the rights to vote or to stand for election are exercised without violence (Mohn and Yigit, 2015). Scholars have opined that the nature of politics in Nigeria, and indeed most of Africa (which has become increasingly a zero-some game or a winner-takes-all contest), necessarily creates desperation and lack of scruples which tends towards reliance on physical and other forms of violence, including verbal, emotional abuse, psychological incitement and hate promotion (Van Gympo 2015; Brenya 2015; Ighodalo 2015).

Democratic elections in Nigeria, especially ones that would be adjudged and accepted as free and fair had always been a problem in the country. In 1960, shortly after Nigeria's independence, there was a transition from the colonial rule to the country's first ever election process. However, the first and subsequent electoral process have failed to meet the common standards of democracy. While the electorates have grown from the qualified franchise of about 5000 male adults with 100 pounds sterling income per annum, to over 90 million voters today, the process has not recorded corresponding maturity or improvement. Instead, the electorate, and politicians alike, have continued to perpetuate the worst forms of political process characterized by incidents of political hooliganism, violence and electoral malpractice (Oshita, O. et al, 2015). Over the period of Nigeria's existence as an independent nation-state, all negative attributes of her political process have often provided compelling reasons for the military adventurists to seize power from its civilian collaborators (Ibid)

The announcement of the result of the Western Region elections in 1965 was followed by violence and breakdown of law and order in the region. It was the Western Region crisis that gave rise to the infamous "Operation Wetie – an atrocious practice of dousing political opponents in petrol and setting them ablaze (Amiofowose 1982; Soeze 2011). In 1983, allegations of rigging by the ruling National Party of Nigeria (NPN) led to bloody post-election crisis in Ondo State (Babarinsa, 2003). In 1993, the result of the presidential election won by Chief MKO Abiola was annulled by the then military ruler, Ibrahim Babaangida, leading the "June 12" crisis that took the lives of many Nigerians. Nigeria's Fourth Republic has not been devoid of electoral violence conflicts. Between 1999 and 2011, thousands of people have died in election-related violence (ICG, 2011). Although elections are now more regular in Nigeria, the quality of these elections is a matter of grave concern to both the actors and observers. The 2003 and 2007 elections were particularly marked with dissatisfaction by candidates, voters and observers. Dissatisfaction with 2007 election was reflected in the cases brought before the election tribunals and courts as well as the election results that were nullified (INEC 2007; Ugochukwu 2009). For example, in Rivers State, Amechi versus Omehia, Mimiko versus Agagu in Ondo State, Oshiomhole versus Oseriemem in Edo State, to mention but a few. The 1999, 2003 and 2007 elections conducted in the early part of the fourth republic have been described by many critics as far from being free and fair. In fact, the election of April 2007, conducted under the leadership of Prof. Maurice Iwu has been described as the worst election ever held in this country. As a result of indescribable irregularities which marred the elections (Oshita, O. et al, 2015). Both domestic and international observers succinctly described the 2007 generation election as the worst in Nigeria's history, ranking among the worst conducted anywhere in the world, in recent times. For instance, the US-based National Democratic Institute (NDI) stated in the post-election statement that the electoral process failed the Nigerian people (NDI and IRI, 2012)

The credibility of the 2011 general election further reflects in the fewer number of litigations it attracted compared to the cases brought before the election tribunals and courts, as well as the number of election results nullified by the tribunals and courts in the aftermath of the 2007 elections (INEC, 2007; Ugochukwu, 2009; EU EOM, 2011). The widely acclaimed process of the 2011 election was however dented by post-election violence that broke out following the announcement of the results of the presidential elections. The 2011 post-election violence was seen by many as the bloodiest incident of electoral violence in Nigeria's history (Bekoe, 2011; HRW, 2011; ICG, 2011; Shuaibu and Iroegbu 2011). In fourteen northern states, including Adamawa, Kano, Kaduna, and Bauchi States, where the post-election violence were most prevalent, violent protesters killed several people including an unspecified number of National Youth Service Corps (NYSC) members; touched, looted and destroyed businesses, churches and private houses (Shuaibu and Iroegbu, 2011; HRW, 2011).

The 2015 general election was a paradox of expectation both to domestic and international actors and observers. This was given the level of threats of violence that were coming from some extremist violent groups at the heels of the 2015 general election. According to Bakut, Iji and Ayuba:

“The memories and fears of a repeat of the post-election violence witnessed in 2011 together with the spectre of doomsday predictions and projections by various actors and institutions, created an atmosphere of discomfort, fear and uncertainty as the dates for the 2015 general elections drew nearer. In addition, the negative rhetoric, threats, and ultimatums from different groups and segments of the society all stocked up tension and heated up the polity with the fear of possible outbreak of violence before, during, and after the election” (Bakut, T. et al (2015).

However, the willing acceptance of defeat by the then incumbent President, Goodluck Jonathan, and his declaration that his ambition is not worth the blood of any Nigerian, changed the whole story.

The 2019 general election was less violent as little or no physical attacks were witnessed before, during and after the election. However, the announcement of the incumbent President Muhammad Buhari, the All Progressives Congress (APC) candidate, winner of the election, by the INEC, sparked off counter reactions from contestants from other political parties who felt that results were pre-written, and did not reflect the actual voting pattern. This resulted in multiple litigations as so many of them, including the major opposition party, the People's Democratic Party (PDP), and her presidential candidate, Atiku Abubakar, rejected the result and took to the court to challenge the result (Maclean et al, 2019)

CONCEPTUAL CLARIFICATION

STRATEGY:

According to Oxford Advanced Learner's Dictionary of Current English, the word, 'strategy' means: (a) A plan designed for a particular purpose. (b) The process of planning something or carrying out a plan in a skillful way. Google defines strategy as a plan of action designed to achieve a long-term over all aim. In this context therefore, 'strategy' refers to the process as well as the activity of skillfully mapping out action plans that are designed to drastically and permanently reduce, if not completely eliminate, electoral violence in Nigeria.

CURB:

The Oxford Advanced Learner's Dictionary of Current English defines the verb 'curb' as: to prevent something from getting out of control; to restrain something. Cambridge Dictionary defines to 'curb' as: to control or limit something that is not wanted. In this context therefore, while the goal objective of eliminating electoral violence in its entirety may not be attainable, strategies marshalled out here will be able to reduce electoral violence to its barest minimum, and thus save our nascent democracy from being hijacked by the menace of electoral violence.

ELECTORAL VIOLENCE:

Classical conceptualization of electoral violence has been considered defective by modern scholars. This was born out of the narrow ways in which the phenomenon was defined and explained (Albert. I. O, 2006). It is therefore imperative here to do a broader and deeper analysis of the concept in order to have a more detailed understanding of it. According to Ogundiya (2003),

“Electoral violence includes all sorts of riots, demonstrations, party clashes, political assassinations, lootings, arson, thuggery, kidnapping, etc., spontaneous or not, which occur before, during, and after elections. It could be regarded as election-motivated crisis employed to alter or influence, by force or coercion, the electoral behaviour of voters or voting patterns, or possibly reverse electoral decision in favour of particular individuals, groups or political party.”

Electoral violence defined as above is centred on influencing the voting behaviour of the electorate and/or possibly changing electoral results in favour of an individual, group, or political party, through the application of force, which manifests in violence, fatal injuries, death and destruction of property. According to Afolabi (2003:79), “Electoral violence is a form of violence that is associated mainly with the process of elections in a given society, precisely a democratic set up or in the process of democratic transition.” As Ogundiya et al (2004), asserts:

“Electoral violence particularly in Nigeria is a quintessential elite affair arising from the inordinate struggle for places in the structure of power that have often

degenerated into open violence among ethno-communal groups or individuals who are deceived to believe that their interests are about to be imperiled."

In literature, electoral violence is used interchangeably with political violence. But it is worthy to note here that political violence is much broader than electoral violence, and occurs in different kinds of political systems that may not necessarily be democratic. According to Amifowose (1982:4), political violence means:

"The use of threat or physical act carried out against an individual or individuals and/or property, with the intention to cause injury or death to persons and/or damage or destruction to property, and whose objective, choice of target or victims, surrounding circumstances, implementation and effects have political significance that is tend to modify the behaviour of others in the existing arrangement of power structure that has some consequences for the political system."

From the foregoing therefore, it can be understood that, though the two terms can be interchanged, electoral violence is a limited aspect of political violence that is associated only with the process of elections. This aspect of political violence occurs before, during, and after elections. Therefore, whereas political violence is aimed at modifying the political behaviour of individuals and groups within the political system for desired results that is geared towards political consolidation, electoral violence is carried out in the struggle for acquisition of political power.

Political (electoral) violence from the above analysis focuses mainly on the physical dimension of the phenomenon. But according to Galtung, political (electoral) violence goes beyond a physical attack. For him, political (electoral) violence could be physical, psychological or structural (Galtung, 1991). In this context, Galtung defines physical violence as a situation where there is a physical assault, whether mild or hard. This includes the kind of bodily attacks politicians or their agents inflict upon one another at party conventions, during political campaigns, during elections and when election results are being released. It also includes the type of attacks security agents inflict on members of the public, on law enforcement agents, on one another, and on the electoral body officials. Extant literature on political (electoral) violence in Nigeria has dwelled mainly on this type of violence.

The second form of political (electoral) violence going by Galtung's classification is psychological. This, according to him, manifests by way of citizens living in perpetual fear of what could happen to them as a result of their participation in electoral activities. For instance, people are afraid of contesting for political offices, or of coming out to vote due to what might happen to them in the course of doing that. This usually results to voter apathy in the society. Psychological electoral violence also manifests by way of the law enforcement agents finding it difficult to ensure citizens of what is technically known as "electoral security". According to Fisher (2002:7),

“electoral security means the process of protecting electoral stakeholders such as voters, candidates, poll workers, media observers; electoral information such as vote results, registration data, and campaign materials; electoral facilities such as polling stations, counting centres; and electoral events such as campaign rallies, against death, damage and disruption.”

The agents expected to provide this kind of security are the security agencies, political parties, the electoral management body, and the media.

The third form of electoral violence, according to Galtung is structural. According to him, this aspect of violence is “usually indirect and embedded in the structures of the society”. He maintains that this type of violence could be worse than physical violence in the sense of leading people to death or causing people to lead miserable lives, because they are politically repressed, economically exploited or deprived of the freedom to be close to those with whom they identify; or forced to be close to those they do not like (Galtung, 2004:4). Structural violence thus manifests in the form of exclusion or discriminatory policies against certain groups. Dates for party conventions, criteria for party nominations etc. are constantly changed by those who want to subject others to structural violence in order to make them more pliable to manipulation. Structural violence further manifests in the way electoral management body (the INEC) officials are appointed and how these officials exercise power. It can also manifest by the ways and manners polling booths are established, how polling officials are recruited, trained and deployed. Furthermore, structural violence manifests in the distribution and retrieval of electoral materials and equipment, collating and recording of votes, declaration of results, and handling of election petitions (Albert I.O, 2006).

LITERATURE REVIEW

The study of political institutions is integral to the study of democratization because the institutions constitute and sustain democracies (March and Olsen, 1984; Koelble, 1985). To craft democracies is to craft institutions (Scaritt and Mozaffar, 1993). According to Reilly B. and Reynolds A. (2000), “Perhaps, most important for newly democratizing countries is the way that institutions shape the choice available to political actors.” The duo also maintains that:

“The optimal choice for peacefully managing conflicts depends on several identifiable factors specific to the country, including the way and degree to which ethnicity is polarized, the intensity of conflict, and the demographic and geographic distribution of ethnic groups” (Ibid).

Western policy specialists have premised their thinking concerning the relationship between conflict and elections on some fundamental assumptions. The first of such assumptions was derived from the Western experience, and argues that free and fair elections are the most appropriate way both to avoid

and manage acute internal conflicts in other countries. Their second assumption is also similar to the first; it explains that the systemic implicit approval of winner-takes-all model of both government and election, and disapproval of power sharing and cooperation arrangement, is an invitation to violence. The third, also from the Western experience, assumes that the types of electoral system in the West can be successfully transferred to the developing world. Their final assumption is that stable democracies must be based on a system of individual rights rather than group rights.

Plausible as these assumptions might sound, contemporary scholars have called all these assumptions into question. As Reilly B. and Reynolds A (2000) argued:

“Realistic diagnosis of key social-structural issues is a necessary condition to designing a successful system. Moreover, the choice of an electoral system involves tradeoffs among a number of desirable attributes. Thus, the role of local actors, who can draw both on international experience and on their knowledge of domestic contributions and priorities, is key.”

March and Olsen (1984), on their own, maintained that:

“Constitutions, laws, contracts and customary rules of politics make many political actions or considerations illegitimate or unnoticed; some alternatives are excluded from the agenda before politics begins, but these constraints are not imposed full-blown by an external social system; they develop within the context of political institutions.”

While accepting that throughout the developing world, the societal constraints on democracy are considerable, such constraints still leave room for conscious political strategies which may further or hamper successful democratization. As a result, institutions work not just at the margins, but are central to the structuring of stability, particularly in ethnically heterogeneous societies (Reilly B. and Reynolds A., 2000).

In the Nigerian context, ethnicity has been identified as the root cause of the electoral violence recorded at the national level. According to A. Ahmed (2016):

Ethnicity is a divisive force in Nigeria's socio-political development. It tends to distort and stain relations between individuals and groups in the country. It has resulted in the emergence of an ethnic psyche which promotes ethnic consciousness and separatism instead of national identity and ethos. The root of ethnicity is arguably linked to the country's colonial history; the colonial masters employed ethnic cleavages as a means to divide and rule thus strengthening their dominance of Nigeria at the expense of nation-building.”

Thus, ethnicity has been the bane of Nigerian elections, from the colonial era to the present dispensation. The popular June 12, 1993, election violence was a clear case of the expensive cost of ethnicity mismanagement in Nigeria.

CAUSES OF ELECTORAL VIOLENCE

(a). Legitimacy of the Electoral Process

One of the greatest contributors to the rising surge of electoral violence is the perception of the electorate about the process and outcome of the electoral process. The confidence of the electorate on the elections process is based entirely on the ability of the electoral umpire to conduct election that are (and are perceived to be) free, fair and credible. The failure of the electoral umpire to deliver on the constitutional mandate of credible elections almost always results in the disenchantment of the populace. It is at the point of this disenchantment that a problem arises. In volatile regions with high level of poverty, youth unemployment and restiveness, this disenchantment will always resort to violence. The already heated polity and latent frustrations of the population makes it easy for them to subscribe to violent means to protest the outcome of elections deemed to be flawed or marred by malpractice. This is one of the major triggers of election cycle violence.

The legitimacy of elections can be considered the most potent stabilizer of democracies. If new governments are ushered in through widely credible elections, the propensity for violence is significantly reduced. This is why the conduct of the process and general outcome of elections are very important for the aversion of violence and stabilization of fledgling democracies. In democracies like ours, the integrity of the electoral process as a stand-alone factor might not be adequate for a complete cessation of electoral violence, but it serves to assuage the fears of the electorate in volatile situations.

(b). Money Politics/Monetization of Electoral Campaign Process

The excessive monetization of the election process in Nigeria is another factor that presents a major challenge for peaceful and violence free elections. The influx of millions of dollars in campaign spending going to political thugs, compromised electoral officials, purchase of nomination forms, vehicles and petty cash inducements for locals contribute to raise the stakes in Nigerian elections. With pecuniary gains involved, election militias tend to go the extra mile to defend the political interests of their contractors. From rigging, destruction of electoral materials, spontaneous shootouts to scare large swaths of voters away from the polls to outright assassination of political figures, monetary inducements have the capacity to severely complicate security. All parties look to the expected gains when their political interests are secured as a justification to perpetrate acts of violence. To further worsen the situation, the electoral amendment bill prepared by the National

Assembly substantially increased campaign financing limits by raising the minimum amount political parties are expected to spend in elections. For instance, section 88 of the bill raised the spending limit for the presidential candidate from N1billion to N15billion amounting to a 1400 percent increase. The campaign expenditure limit for the governorship election was raised by 2400 percent – from N200million to N5billion. Senatorial election was raised from N40million to N1.5billion, House of Representatives from N20million to N500million, and State Assembly from N10million to N50million .

On another hand, the seeming profitability of electoral offices also present a major problem. The access to unlimited state resources with oversight and the ability to embezzle same without consequence upon the resumption of office after elections make the electoral process even fiercer. The allure of government funds causes politicians to fight to the death to attain political positions. They hire militias, arm them to the teeth and commission them to unleash mayhem on the electorate and political opponents in order to get favourable political outcomes. Even political thugs commit to unleashing unspoken levels of violence because they bank on the aspirations of their paymasters and expect to be compensated heavily not just during the election cycle but also after their sponsors have formally resumed elective positions. There are so many cases where prominent thugs and merchants of electoral violence are appointed into juicy positions by their sponsors as compensation for their loyalty and support during the election cycle. It can be argued with confidence that 'do or die' politics thrives mainly because of the unfettered access to public resources that prospective office holders envisage to have when they get elected.

(c). Abundance of Unemployed Youths

Unemployment data from the National Bureau of Statistics (NBS), reveals that youth unemployment rate in Nigeria increased from 40.80 percent in the second quarter of 2020 to 53.40 percent in the fourth quarter of 2020. This is both a stark representation of the current socio-economic situation of the country and a huge indication of high risk situation that unemployment could portend. The high number of unemployed youths provide a ready recruitment base for politicians seeking to recruit thugs to unleash mayhem during elections. The presence of idle, frustrated young people without gainful employment is a potential breeding ground for corrupt politicians to recruit with the promise of monetary gain or employment after the election cycle. The spontaneous eruption of widespread violence on a large scale is directly sponsored by the sheer number of unemployed young people available to be used as perpetrators of violence. The young population make up the most active demographic of any electoral populace and thus are most likely to be recruited into violence and other acts.

(d). Weak Police and paramilitary institutions

The inability of security forces to contain the outbreak of violence during the election cycle actively

contributes to the culture of electoral violence that consistently mars elections in Nigeria. Perpetrators of violence can actively see that acts of violence will not be met with resistance by security forces and thus are emboldened to perpetrate even more acts of violence. Whether this could be attributed to a lack of proactive planning and attendant budgeting or plain technical incompetence remains to be understood. As long as security forces continue to fail in their duty to effectively police the process, there might not be an end in sight for electoral violence.

(e). Poor Enforcement of Electoral laws

The enforceability of the prescribed punishment for electoral violence in our electoral laws remains an important issue. When actions do not have consequences, and prescribed sanctions are not enforced, criminal elements will continue to take advantage of weak laws to perpetrate acts of violence. The inability of election petition tribunals and higher courts to sanction high profile perpetrators and their stooges for electoral violence related offences creates a culture of a lack of accountability for actions that adversely affect the electoral process and security of the lives and properties of other people.

STRATEGIES FOR CURBING THE VIOLENCE

The actors involved in the prevention and management of electoral violence are broadly divided into two categories:

- The monitoring and observer missions: these could be local or international in composition and activity;
- The dispute mediation and resolution missions: could be national, regional or local.

The body groups identified as actors in the activities of electoral violence mitigation include, but not limited to:

- ❖ The political parties.
- ❖ The electoral commission.
- ❖ The faith-based organization (FBO) – this is the depository of people's faith and trust.
- ❖ The civil society – the civil society represents the voice of the common man.
- ❖ The traditional institution – operators in this institution are the custodians of cultures and traditions in every society.
- ❖ The Non-Governmental Organization (NGO) – operators in this field have much role to play in the curbing of electoral violence. etc.

Five main types of strategies for curbing electoral violence can be identified:

1. **Monitoring:** The presence of monitors can be instrumental in preventing electoral violence through naming and shaming mechanism, and by creating awareness of tension

build-up.

2. **Mediation**: Mediation can be carried out in high-tension situations to solve an ongoing election-related dispute.

3. **A Robust Legal Framework**: Creating a robust legal framework and institutional design provides the basis for combating impunity and for creating conditions discouraging violence.

4. **Effective Law Enforcement**: Law enforcement highlights the deterring function of security agencies. The presence of effective security agencies in a system is a good deterrence to electoral violence.

5. **Voter-Focused Strategies**: Voter-focused strategies emphasize the importance of long-term prevention through the cultivation of democratic norms and tolerance in society at large.

CONCLUSION

We cannot rely on the assurances of the security agencies and the electoral management body of their improvement on the future elections. The notion of violence-free elections is encapsulated in the term 'free and fair' elections, serving as a benchmark for determining the legitimacy of elections. The contributions of both the local and international actors towards election violence mitigation include electoral assistance, peacekeeping and monitoring missions, civic and voter education. Yet, understanding of the consequences of specific strategies, and how their returns can be maximized remains limited (Abbink and Hesselings, 1999; Sisk and Jarstad, 2009; Kumar, 1998). Indeed, electoral violence is the bane of democratic consolidation in Nigeria. More worrisome is the fact that in the political history of Nigeria, elections have failed to produce a procedurally legitimate government, as election results are juggled, inflated or annulled (Ogundiya, 2000).

RECOMMENDATION

In marshalling out the strategies for curbing electoral violence in our political system, the following factors should be considered:

Practitioners and Policy Makers on Election Violence Management should:

- Develop a diversified strategy to accommodate different target groups to prevent severe individual as well as political consequences of electoral violence.
- Include in their analysis an assessment of how victims are affected by electoral violence and their different needs (physical and psychological) can be addressed.
- Allocate adequate resources to develop a policy and strategies to address the consequences of electoral violence, and to implement and evaluate such policy.
- Consider the consequences of the electoral system, codes of conduct and other

regulations on the electoral process.

- Stipulate sanctions against violence makers, for example by limiting the right for repeat violence-makers to engage in politics, to avoid the culture of impunity.
- Design measures and allocate adequate resources for activities which can support the institutional setting and legal framework, for instance, through the use of peace pledges.
- Support political party development, citizen education and media training.

The Security Agencies should:

- Engage in close collaboration with local actors in order to uncover networks of violence makers and identify peace-promoting elements.
- Encourage collaboration between national security and local security forces, peace workers, political parties and other relevant actors.
- Train security forces in the electoral law(s) and codes of conduct.
- Find the right balance between deterrence and confidence-building. Etc.

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MARKET RISKS AND PERFORMANCE OF BREWERIES ACROSS WEST AFRICAN COUNTRIES (1996-2020)

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ABSTRACT

This research work sought to explore the impact exerted on performance of breweries across West African countries from 1996 to 2020 by market risks. The peculiar aim of this study include to: (i) examine the effects of inflation rate on asset turnover of quoted brewery companies in West African region. (ii) investigate the specific effects of exchange rate on profit margin of selected breweries in two countries of West African region (Nigeria and Ghana). This study adopted ex-post facto and analytical designs. Panel data for a sixteen-year period (1996-2020) were collated from the published financial report of the companies in use. ARDL Models were employed and other diagnostic tests conducted at the significance level of 5%. The study discovered that Inflation rate has a negative and significant effect on earnings per share. Exchange rate indicated a non-positive and significant impact on earnings per share. This work recommend as follows: (i) the service of proactive financial manager preferably an accountant is needed in manufacturing firms to adjust price based on inflation rate to cover increasing cost. (ii) Manufacturing firms in West Africa shall be susceptible to exchange rate volatility, (iii) Aggressive financial manager is needed in manufacturing firms to take advantage of leverage in wealth creation.

Key Words: Exchange Rate, Inflation rate, Market Risk and Performance

INTRODUCTION

Manufacturing organizations worldwide are facing a common challenge in the sense that the future is uncertain, and the possibility of systematic risks occurring cannot be determined precisely. Alao and Adebwojo (2012) stated that risk is a prevalent phenomenon in all aspects of the business. The misery of corporate organizations in Africa today, which gave rise to the collapse of businesses, as

employees were sent unexpectedly back to the labor market due to poor management of uncertainties. Certainly, given the vague environment of manufacturing organizations in the West African region, it has become imperative for manufacturing organizations to pay so adequate care to global economic volatility, owing to market risk, since failure to do so might have daring consequences, (Oladapo, 2015). The permissible verge of market risk is the amount of possible unforeseen loss that organizations are willing to undertake due to unexpected and uncomplimentary changes in market variables (Milanova, 2010). These market variables comprise exchange rate, interest rate, inflation rate, liquidity rate, tax rate with stock prices. It is a widely held view that the movement of these market risks indices affects manufacturing firms' cash flows, primarily those involved in international affinity, by causing changes in the home currency value of foreign currency-denominated revenue (Lambe, 2015). Moreover, Aykut (2016) views market risk as loss in portfolios rising through the market prices drive, currency, interest rate, commodity risks and equity. Systemic risk such as (market risk) monitoring and evaluation claimed to be essentials for an effective management process; this results from the increasing level of uncertainties associated with manufacturing organizations in the West African region. The resource mobilization of every firm is influenced by a market risk which affects their financial performance in the economy (Namasake, 2015). Since accounting information shows the financial and operational decision of a firm, it is held that with the application of accounting and financial information, organizational market risk can be extracted (Hosseini, Saeed and Meysam, 2012).

Many financial performance indices will be applied in measuring how the risk associated with market forces affect the manufacturing organizations in selected Anglo phones and Franco phones in West Africa, namely; Ghana, Gambia, Sierra Leone and Nigeria. Therefore, the study seeks to evaluate the impact of market risk on the corporate performance of breweries across West African region. During this period of economic recession, most businesses are challenged with many risks, mainly market risk, which, if not correctly taken care of, becomes a clog in the wheels of progress of many organizations. Market risks, otherwise known as systematic risks, are those risks that cannot be eliminated through diversification, as opined by (lars2012). It is a function of macroeconomic variables.

In Sub Saharan Africa today, mainly in West Africa, many industries closed down in recent times and the attendant incidence on national economic growth as the employees were massively relieved of their duties due to failed business problems (Alao and Adebawajo, (2012). The study covers market risk indicators and corporate performance parameters of manufacturing organizations in four selected countries in West Africa from 1996-2020, using their brewery industries for the study. Those countries selected are two from Anglophone zone in West Africa, especially Nigeria, Ghana. The justification for selection is based on the two countries with the highest GDP in the West African

region over the years under study. In addition, the year 1996 was marked as when most of these countries witnessed business crises caused by recession and inability to cope with the market risks, while the study ended with 2020 due to data availability. These market risk indicators are inflation rate, exchange rate, which was used in the model. At the same time, performance indicator is earnings per share. In addition, market risk is a function of uncertainties occasioned by the inflation rate, interest rate, political instability, tax rates, exchange rate and liquidity rate. On the quest to execute the work, these specific aims are designed as follows: to examine the effects of inflation rate on earnings per share (EPS) brewery companies in the West African region; to determine the particular effects of inflation on the earning per share (EPS) of selected breweries in four countries of the West African region. To achieve the stated objectives, we formulated the following hypotheses:

H₀1: Inflation rate has no positive impact on earnings (EPS) per share of brewery organizations in West African region.

H₀2: Exchange rate have no positive impact on earnings per share of brewery organizations in West African region.

2.0 REVIEW OF LITERATURE

2.1 Conceptual Review

2.1.1 Market (systemic) Risk: This factor is known as the danger of losses in portfolios resulting from market prices movements and consisting of currency, equity interest rate, , and commodities risks (Aykut, 2016). Milanova (2010) conclude that market(systemic) risk is the danger that fluctuations of financial instrument as experienced is always caused by market price changes, not considering if these fluctuations are caused by factors typical to individual devices or their counterparty or other factors like the instruments traded on the capital market. It is a dominant source of income fluctuation in industries worldwide (Jane, Willy and Kennedy, 2016). The chances of occurrence in which some investor experience losses as a result of exogenous and endogenous factors that influence the overall performance of the financial market in which the investor is involved. The systematic risk also known as market risk cannot be eliminated through diversification although it can be controlled through hedging. Market (systemic) risk emanates from recession, and other economic challenges such as changes in interest rate riots in form of political turmoil, terrorism and natural disaster.

2.1.2 Rate of Inflation: This is the proportionate change of a price index expressed in percentages over time. In line with definition earlier stated, the inflationary condition is stated as an increase in prices of any given data, expressed in percentages especially when compared to the same data of the

succeeding year (Oleka, Eyisi and Onyeze, 2014). Onwumere and Suleman (2010) suggest some measures of price indices that can be used to measure inflationary effects which are three in an economy, namely whole price index (WPI), consumer price index (CPI), and implicit price index (the GDP deflator). The inflation rates can create a bad or adverse macroeconomic performance by upsetting the exchange system in a decentralized market economy (Quamrul, Boris and Peter, 2016). In support of this assertion, Heimann and Leijonhufud (2015) stated that the inflation rate might impede the market mechanism responsible for coordinating economic activities. Furthermore, Quamrul et al. (2016) divulge that the movement of inflation rate has a consequential unpleasant impact on economic performance; that is Low inflation rate can stagger instability in the economy.

2.1.3 Exchange Rate: An exchange rate is made up of the ratio at which one currency of a particular country may be changed into another. It represents the price tag of one currency of a particular country stated in terms of another currency (Ezejulo, 2001). Thus, the exchange rate always accounts for all expected interest rates and purchasing power differential among countries (Mbubi, (2013). Bradley and Mole (2012) noted that the exchange rate is a function of finance which affects the financial position of firms. exchange rates that is highly volatile is capable of reducing cash flows and even the profitability of any firm, which gives rise to foreign exchange risk by limiting the level of risk exposure on the firm's performance especially on finance (Belk, 2002). In the opinion of Shapiro (2013), exchange rates fluctuations is capable of affecting the value of foreign firms operating in another country mainly through their operations in terms of sales and (net) assets, and need to be denominated in the currency of the parent company. The exchange rate is a product of transaction exposure, translation exposure and economic exposure (Ezejulo, 2001). According to him, there are two major types of exchange rate, namely: flexible exchange rate and managed floating exchange rates. In his assertion, exchange rates are the indispensable tool of international finance through which the wheels of international trade are lubricated.

2.1.4 Financial Performance Indicator:

Earnings per Share: Earnings per share (EPS) is calculated as a company's net profit which is divided by its common stock. Where the amount to be divided is a big sum relative to the number of shares one can simply conclude in terms of company's profitability. It is common for a company to report EPS that is adjusted for as items that are termed extraordinary and prospective share strength. The higher a company's EPS, the more profitable it is considered. This is the profitability of the shareholder's investment made in an entity.

2.2 Theoretical Framework

Capital Asset Pricing Model (Mossin, 1966): This theory stated that market risk primarily arises from the sensitivity of an asset's returns to the market prices. The asset's beta reflects this. CAPM

implies that potential investors will always merge assets that are of risk-free nature with a market portfolio of risky assets. Investors will always invest in a risky asset in proportion to their market value. According to (Pandy 2006), It has been a norm that expectation of returns from investments always based on its associated level of risk. It therefore involves a straight line association between expected return on assets and its beta. Moreover, risk with its concepts and returns on investment as quite simple to comprehend. Potential financial managers applied the concept for financial investment decisions. developed under Capital Asset Pricing Model such as assessing securities, and investment risk analysis.

The Arbitrage Pricing Theory (APT) (Ross 1976): This was established based on concept that investors are being paid back just for assuming non-diversifiable market risk; while diversifiable unsystematic nature of risk does not require compensation. When considering a reasonable number of industries using APT, there exist specific and macroeconomic factors that influence the returns. Arbitrage Pricing Theory presumes that economic factors can easily cause market risk such as variation in the structure of interest rates, gross domestic product, and inflation. These exogenous factors can affect organizations in different ways. The sensitivity of the assets return to each factor under Arbitrage Pricing Theory, is assessed. The return of an asset is presumed in Arbitrage Pricing Theory to have two mechanisms: expected and uncertain return. The information that has a bearing on the returns serves as determinant to expected return on such investment.

Extreme Value Theory

Market risk is an intervening basis of income variations in non- bank financial and financial institutions all over the world. The various forms of financial institutions associated with sizeable amounts of trading activity confirmed to be very susceptible to extreme market movements. In time, the primary concern for regulators is the measurement of market risk and internal risk control. The need for indicators becomes unavoidable in showing the risk exposure of firms and the effect of risk-reducing measures if properly applied. Value-at-Ris has been recognized as a benchmark or yardstick in terms of applicable tools among financial institutions to depict the shortcoming risk of a market portfolio. It measures the utmost loss of the portfolio value that will occur over some period at some specific assurance level due to certain risky market factors.

2.3 Empirical Review

Jane, Willy and Kennedy (2016) embarked on the impact of market(systemic) risk on the financial performance of commercial banks in Kenya. The pair wise correlations as econometric tool between the variables were adopted. The statistical test using F-test was applied to discover the implication of the regression while the coefficients and p-values of the independent variables were used to

determine the magnitude and direction of the effect, and R squared were used to determine how much variation in the dependent variable was explained by independent variables. From the result, financial leverage, interest rate and foreign exchange exposure have a negative and significant relationship with bank profitability.

Kiselakovai, Horvathova, Sofrankova and Soltes (2015) studied the analysis of market risks and their impact on enterprises financial performance. The researcher used secondary data of financial statements of selected companies, which is representative of the Slovak food industry. And the study was descriptive in nature. Findings show that market risks have a higher impact on the performance of enterprises.

Agnes (2013) examined investment decision making and market risk. A descriptive study was adopted as a research design. Standard deviation was used to analyze the data collected. The result reveals that market risk is an important component of every investment. It serves as objective components of the investment and also as the subjective factor of investment decision making.

Awoke (2014) studied the impact of credit and market risk on the performance of commercial banks in Ethiopia; he applied basic descriptive statistics for trend analysis. A non-probability method in the form of a judgmental sampling technique is employed in selecting banks, and the data were sourced from the annual report of the same banks. The study finds that the selected variables: the provision to total loans, loan to total assets, interest rate, credit administration (cost to total loans) and size (Economies of scale) have a significant effect on the performance of banks.

3.0 METHODOLOGY

The research design adopted for this study is the ex-post-facto and descriptive research design. A research design is a kind of blueprint that guides the researcher in his or her investigation and analysis (Onwumere, 2009). The study employed secondary data. The relevant data for this study have been obtained from the firm's annual report, statement of account, the Central Bank of the respective countries statistical bulletin covering the period of 1996 to 2020, IMF, World Bank development indicators and world bank bulletin. In addition, the study was annual based panel data from the periods (1996 to 2019) under review. The data set was tailored to the need of the empirical framework, and it contained information on economic variables such as exchange rate, inflation rate, interest rate, etc., of the countries under study.

Model Specification

Koutsyannis (2001) articulated that model specification is the formulation of a maintained hypothesis. This involves expressing the model to discover the economic phenomenon empirically. For example, to define the relationship between the dependent and independent variables of this study, the model for the study is specified, and the function capturing them is initially stated as:

BIFPI = (SMR)

BIFPI = Brewery Industry Financial Performance indicator serves as the dependent variable and is proxied using quoted brewery organizations in the West African region. SMR = Selected market risk representing the independent variables, using, inflation rate (IR), and exchange rate (ER),. Based on the variables specified, auto regressive distributed lag (ARDL) model and other parameter stability tests applied for the study.

Where $EPS_{t-1} = \alpha_0 + \beta_{t-1} + \beta_2 X_{t-1} + \mu$

4.0 DATA ANALYSIS AND RESULT

Table 1

Variables	ADF Statistic	Critical value(5%)	Diff Order	P-Values	Outcome
EPS	-14.5632	-1.94436	1(1)	0.0000	Stationary
INFL	-9.5559	-1.94414	1(0)	0.0000	Stationary
EXCH	-3.1940	-1.94410	1(0)	0.0017	Stationary

Unit Root Test Table

Table 1 indicated the various values associated with the results of unit root test carried out. The earnings per share (EPS) observed to be stationary at 1(1) with probability value less than 5% level of significance (0.0000). Inflation and exchange rates were observed to be stationary at 1(0) with probability value of 0.0000 and 0.0017 respectively. Based on the outcome of the test in table 1, bound co integration test is required to ascertain the long run and short run association of the parameters used if any.

Table 2

Lag length Table

VAR Lag Order Selection Criteria

Endogenous variables: EPS

Exogenous variables: C INFL EXCH

Date: 10/12/21 Time: 23:21

Sample: 1 100

Included observations: 74

Lag	LogL	LR	FPE	AIC	SC	HQ
0	-466.7035	NA	19088.77	12.69469	12.78810	12.73195
1	-444.4814	42.04163	10757.39	12.12112	12.24566	12.17080
2	-439.0301	10.16594*	9538.999*	12.00081*	12.15649*	12.06292*
3	-439.0145	0.028709	9797.664	12.02742	12.21424	12.10194
4	-438.9975	0.030750	10063.58	12.05399	12.27194	12.14093
5	-437.6391	2.423144	9969.359	12.04430	12.29339	12.14366
6	-435.9661	2.939049	9793.207	12.02611	12.30634	12.13790
7	-435.6498	0.547111	9980.375	12.04459	12.35595	12.16879
8	-435.4940	0.265380	10216.37	12.06740	12.40990	12.20403

Table 2 disclosed the optimal lag length chosen for the analysis which lies on AIC(12.00081) at lag period of two (2). AIC value is the lowest among other variables on the table and that forms the bases for selection.

Co integration Test

Statement of Hypothesis

H_0 : There is no Co integration

H_1 : H_0 is not true

Decision criteria: Reject the null hypothesis of no co integration if the value of F- statistic is greater than the value of $i(1)$ Bound at 5% level of significance, otherwise accept the null hypothesis.

Table 3

Co integration table (using Bound test)

F-statistic	I(0) Bound @ 5%	i(1)Bound @5%	Decision
4.683292	3.79	4.85	Accept Null

Table 3 showed the outcome of the co integration test of Earning per share (EPS), Inflation (INFL) and Exchange rate (EXCH) using bound test since the order of the stationary is 1(0) and 1(1). On this base, the Johansson co integration is not applicable. The result of the test indicated that the value of F-statistic is not greater than $i(1)$ bound at 5% level of significance ,therefore the study failed to accept the alternate hypothesis and conclude that there is no evidence of long run association. On this note the study need to further test for short run causality and no longer error correction model (ECM) using vector autoregressive model (VAR).

Table 5

Short Run Causality Test

Statement of Hypothesis

$H_0: C(3) \neq C(4) = 0$

$H_1: C(3) = C(4) = 0$

Decision Criteria: Reject the null hypothesis if the probability value of F-statistic and chi-square are less

than 5% level of significance, otherwise accept the null hypothesis.

Wald Test:

Equation: Untitled

Test Statistic	Value	df	Probability
F-statistic	7.802632	(2, 79)	0.0008
Chi-square	15.60526	2	0.0004

Table 5 showed that the probability value of F-statistic and Chi-square are less than 5% level of significance (0.0008 and 0.0004) respectively. This implied that $C(3) = C(4) = 0$, therefore, there is evidence of short run causality. The study accepts the alternate hypothesis which means that causal effect exists in the short run among the variables.

Table 6

Test of Hypothesis.

H_0 : Inflation rate has no positive effect on earnings per share of brewery organizations in West African region.

H_0 : Exchange rate has no positive effect on earnings per share of brewery organizations in West African region

ARDL Test

EPS (explained var)	coef	p-values of t-stat	R-Squared	P value of F-stat
INFL(-2)	-0.1339	0.0085	0.79	0.0000
EXCH	-1.8410	0.0000		

Table 6 displayed the negative coefficient values of the explanatory variables (INFL and EXCH) as -0.1339 and -1.8410 respectively. Their corresponding probability values are 0.0085 and 0.0000 which are less than 5% level of significance. The R-squared indicates that variations caused on dependent variable by the explanatory variables were explained by 79% leaving a balance of 21% unexplained as a result of parameters not included in the model but taken care of by the error term. The probability value of F-statistics (0.0000) which is less than 5% indicates that the overall regression is statistically significant.

Discussion of Findings

Inflation has a negative and significant impact on earnings per share of brewery organizations in west African region. The result of the study is in line with the works of Rami, Gary and Steve (2010) who studied macro-economic determinants of corporate performance and failure: Evidence from an emerging market, a case of Jordan. Descriptive statistics were used as a methodology. Standard deviation was used to analyze the hypotheses formulated. Findings show that unanticipated changes in inflation, money supply, and credit availability negatively and insignificantly affect a firm's performance (ROA). The study failed to accept the alternate hypothesis, which states that the exchange rate has a positive effect on earnings per share of quoted manufacturing firms in West African region. This outcome is not in line with the study of Murithi (2011) on the relationship between foreign exchange rate and market performance for manufacturing companies. The study used a descriptive research design. Findings show that the exchange rate had a positive influence on market performance. Monger (2011) studied the impact of foreign exchange rates and foreign exchange reserves on the performance of the NSE share index. The study used a longitudinal study design. The result shows a positive relationship between exchange rates and financial performance.

5.0 Conclusion and Recommendations

The inflation rate is a macroeconomic variable that influences the economy, not the financial performance indicators of manufacturing firms. Perhaps, an inflation rate effect is adjustable through price level to cover the inherent cost of manufacturing firms. Therefore, the knowledge of the inflation rate is imperative to financial managers of manufacturing firms to affect changes regarding price index on the cost of sales, depreciation, monetary working capital and gearing adjustment of manufacturing firms. This will help to show the current financial performance and position of manufacturing firms during the annual report to affect accurate decision making. the exchange rate is a function of transaction and translation exposures that affects the earnings per share of manufacturing firms in the West. The exchange rate is volatile, and its increase offers domestic firms an opportunity for growth. But manufacturing firms in multinational engagement should hedge their

receivables and payables to reduce the effect of exchange rate fluctuations on their financial performance. Notwithstanding, the exchange rate is an indispensable macroeconomic variable that affects the fortunes of manufacturing firms in multi-national engagement.

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ACCOUNTING PROFESSIONAL ETHICS AND AUDIT REPORTING IN DEPOSIT MONEY BANKS IN NIGERIA

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ABSTRACT

The study investigated accounting professional ethics and audit reporting in deposit money banks in Oyo town of Oyo State, Nigeria. The study adopted descriptive survey research design. The population of 20 internal auditors of 10 deposit money banks located in Oyo town was studied. Two research questions were raised to guide the study while two hypotheses were formulated and tested at 0.05 level of significance. The research questions were answered using mean and standard deviation while the hypotheses were tested at 0.05 level of significance with the use of t-test statistic. Questionnaire was used to collect data for the study. The instrument was validated by three experts. The internal consistency of the instrument was measured using Kuder Richardson formula (KR-21). A reliability coefficient of 0.79 was obtained. The results of the data analysis revealed that professional ethics has significant impact on the quality and reliability of audit report in deposit money banks. Also, the result of the test of hypotheses showed that there is no significant difference in the mean ratings of respondents on the influence of accounting professional ethics on the quality and reliability of audit report in deposit money banks. The study however recommended amongst others that auditors and other stakeholders professional duties so as to foster quality of audit report and other accounting tasks output.

Keywords: Auditing, Accounting profession, Professional ethics, Audit tenure, Audit fees.

INTRODUCTION

Accounting as a profession is wide in scope and as a result it entails a lot of tasks that are germane to every business organization, these tasks are performed by accountants. An accountant performs financial functions related to the collection, accuracy, recording, analysis and presentation of a business organization or company's financial operations. The accountant of a company or any business entity is saddled with preparation and presentation of financial statements for every period of operation (usually a year) to the owners of the company and the generality of public as well. These financial statements are then used by management of the company for decision making. Other roles performed by accountants include writing and balancing books of accounts, taxation services, liquidation and receivership work, risk management secretarial services, due diligence write-ups, advising companies seeking quotations on the Nigerian stock exchange and investigations/audit and presentation of audit report to the shareholders of the company. the various accountancy professional bodies, national and international have developed the fundamental principles and conceptual framework to enable accountants fulfil their ethical requirements even though questions still remain as to the appropriateness of this approach (Nathan 2016; Wilson et al., 2017).

Recently, business ethics have attracted renewed attention globally due to the several notorious corporate scandals like those of Enron, WorldCom, Arthur Anderson, Tyco International, Adelphia, Cadbury PLC, Lever Brothers PLC amongst others (Ojeka et al., 2017). However, the relevance of accounting profession cannot be over emphasized in the society. Every accounting stakeholder relies strongly on the accounting professional to authenticate audit reports in most business organizations. According to Osisoma (1988), accountancy is a pivotal profession. In times of prosperity, it is needed to help manage abundance and plenty; in times of adversity, it is needed to achieve a frugal and optimal allocation of scarce resources; and in times of stability, it is needed to keep the economic ship of the state on an even keel.

According to Smith (1999), professional ethics held the professional to higher standard of conduct than do the laws regulating that profession. This implies that although the accounting profession is regulated by accounting principles, ethical standards are of paramount importance. Ethical problems are a very relevant issue present in many aspects of real life. These situations can be examined through several branches and under several grids of analysis, modern or classic (Filipe et al., 2011). A squishing mark of the accounting profession is its acceptance of the responsibility to act in the public interest (IFAC, 2005). Key qualities which appear in the codes of ethics of professional bodies include independence, integrity, objectivity, competence, and judgment. For example, the ICAEW's introduction to its 'Guide to professional Ethics' (ICAEW, 1997) includes a list of five fundamental principles which either expressly mentions or clearly implies all of these qualities, along with other related qualities such as honesty, fairdealing, truthfulness, courtesy, skill and diligence (Growthorpe, 2005).

Furthermore, Nwagboso (2008) claimed that accounting professional ethics helps the accountant to determine the propriety of his conduct in his professional relationship, it indicates the kind of professional posture the accountant must maintain if he succeeds; it gives clients a feeling of confident that the accountant desires to serve them well by placing service above financial reward; it enables member bodies and regulatory authorities to fulfill their responsibility by ensuring that the professional accountant has the skills and competence expected of him by employers, client and the public; and it ensures that public interest is protected and the credibility of the profession is enhanced. Akadakpo and Izedonmi (2013) opined that most regularly breaches codes are those that border on independence, integrity, transparency and objectivity.

Auditing is a process, carried out by an appointed qualified person or body, whereby the records and financial statements of an entity are subjected to independent examination in such detail as will enable the auditor form an opinion as to their truth and fairness. However, an audit can be defined as the independent examination and expression of opinion on the financial statements of an enterprise by an appointed auditor in pursuance of that appointment and in compliance with any relevant statutory obligation (Erobu et al., 2009). To this end, accountants in carrying out the task of auditing financial statements of a company and render the report to the shareholder and the public at large need to be guided thoroughly by the professional ethics in order to make the report worth reliable to the users. Accountant who fails to strictly adhere to the professional ethical standards would ruin his career and also affects the lives of other members of the society who are interested in using the report for making informed decision. Decisions made on information provided by accountants can materially affect the lives of any or all of the stakeholders (Mahdavikhou & Khotanlou, 2012). This paper therefore examined accounting professional ethics and audit reporting in deposit money banks in Oyo, Oyo State Nigeria.

Ethics in professional accounting are of utmost importance. However, the widespread corruption in the society and the failure of organization in every parts of the world have once more increased the need for accounting professionals to adhere strictly to the codes of professional ethics prescribe by international accounting bodies. According to Ogbonna and Appeah (2011), the widespread corruption in the business environment seems to be the order of the day in all societies. Recently, business ethics have attracted renewed attention globally due to the several notorious corporate scandals like those of Enron, WorldCom, Arthur Anderson, Tyco International, Adelphia, Cadbury PLC, Lever Brothers PLC amongst others (Ojeka, Ogundana & Iyoha, 2017). Unfortunately, these collapses have led to a widespread disregard for the reputation of the accounting profession.

Additionally, the growing importance of government regulations, the amplified scrutiny of media, and the increasing pressure from different stakeholders have placed the business ethics challenge on the strategic agenda of virtually all firms (Weaver, Trevino & Cochran, 1999). Organizational cultures and environment pose a good opportunity for accountants to exploit the loopholes in reporting and financial management expected to foster the growth of ethical education and awareness, they are often faced with stiff resistance from the top level management (Fisher & Lovell, 2009).

Accountants have obligations to shareholders, creditors, employees, suppliers, the government, the accounting profession, and the general public at large. Therefore, behaving ethically is an essential and expected trait. In this regard, an accountant bears the consequences of his moral choices not only based on his own life but also the lives of other people. The nature of the work carried out by accountants and auditors require a high level of ethics. Furthermore, shareholders, potential shareholders, and other users of the financial statement rely heavily on their professional competence. It is against this that the researchers studied the effect of accounting professional ethics on audit reporting in deposit money banks in Nigeria.

Purpose of the Study

The purpose of the study was to examine accounting professional ethics and audit reporting in deposit money banks in Oyo, Oyo State, Nigeria. Specifically, the study examined:

1. The influence of professional ethics on the quality of audit reports in deposit money banks in Oyo, Oyo State, Nigeria.
2. The influence of professional ethics on the reliability of audit reports in deposit money banks in Oyo, Oyo State, Nigeria.

Research Question

The following research questions were raised to guide the study:

1. How influential is professional ethics on the quality of audit reports in deposit money banks?
2. How influential is professional ethics on the reliability of audit reports in deposit money banks?

Research Hypotheses

The following null hypotheses were formulated and tested at 0.05 level of significance:

1. There is no significant difference in the mean ratings of respondents on the influence of professional ethics on the quality of audit reports in deposit money banks based on their gender.
2. There is no significant difference in the mean ratings of respondents regarding the influence of professional ethics on the reliability of audit reports in deposit money banks based on their years of service.

Literature Review

Theoretical Review

The study is pinned on the Imperative theory which focuses on people being treated fairly. There is also a focus on leading by example. If you want others to act ethically, then you must also act ethically. This theory shows that all people are equal and must abide by the same rules (Duska, 2011). Disclosing outside the firm or employing organization confidential information acquired as a result of professional and business relationships without proper and specific authority or unless there is a legal or professional right or duty to disclose (IFAC Code of Ethics 2006, Section 140.1 (a)). Accountants, regardless of their place of employ, should not be disclosing confidential information about their colleagues to another so that the latter may use it to his/her personal advantage (Richards-Gustafson, 2013).

Maintenance of confidentiality breeds trust among parties involved. Both parties acknowledge the sensitivity and importance of either's personal details. The tendency for either party to worry is reduced. Moreover, respect is accorded to professionals who exercise confidentiality. Confidentiality promotes control and autonomy. Consequently, the dignity of professionals is enhanced (Hammer, 2000).

Compliance by the accountant on professional ethics of confidentiality, whilst not overlooking integrity, objectivity, honesty, compliance and accountability, will improve the quality of financial reports and the performance of the organization (Ogbonna & Ebinobowei, 2011).

In another study, Ndubuisi and Ezechukwu (2017) discovered that audit fees, audit tenure, audit firm size have a statistically significant relationship with audit quality of banks listed on the floor of the Nigerian Stock Exchange. They opined that auditor-client relationship should not exceed 3 years, because the auditor may develop close relationship with the client and become more likely to act in favour of management, resulting in reduced objectivity and audit quality.

Suseno (2013) investigated the influence of auditor independence and audit fees towards audit quality and discovered that auditor independence significantly influences the audit quality and audit fees significantly influences the audit quality. He opined that the measures to enhance auditing quality can be taken by means of developing independent attitudes and determining sufficient audit fees.

Method

The study adopted descriptive survey design. The study was carried out in Oyo town of Oyo State, Nigeria. The population for the study consisted of 20 internal auditors of deposit money banks located in Oyo town. The instrument titled Ethics and Audit Reporting Questionnaire (EAREQ) was developed by the researcher to collect data for the study. The instrument consisted of 12 items measured on a four point rating scale of Very Highly Influential (VHI = 4 points), Highly Influential

(HI= 3 points), Not Influential (NI = 2 points) and Not Very Influential (NVI = 1 point). The instrument was divided into two parts: A and B.

The reliability of the instrument was determined through application of Kuder-Richardson formula (K-R 21) and a reliability coefficient of 0.79 was obtained. The instrument was considered reliable based on the reliability value obtained. The instrument was administered by the researchers on the respondents and copies of the questionnaire were retrieved and used for analysis. The research questions were answered using mean and standard deviation while t-test inferential statistics was employed to test the null hypotheses at 0.05 level of significance.

Decision: In answering the research questions, any mean found between 2.50 and 4.0 was interpreted as Influential (I) while mean below 2.50 was interpreted as Not Influential (NI). The standard deviation was also employed to indicate homogeneity or otherwise of the opinions of respondents. Where the Standard Deviation was high, the individual responses varied greatly, where the Standard Deviation was low, the respondents were taken to be close in their opinions. Null hypothesis was rejected where p-value was less than or equal to 0.05 level of significance, null hypothesis was not rejected where P-value obtained was greater than 0.05.

Results

Table 1: Mean ratings and t-test analysis on the influence of professional ethics on the quality of audit report in deposit money banks.

(n=20)

S/N	Item statement	X	Remark	X ₁	SD ₁	X ₂	SD ₂	df	t-cal	Sig.
1.	Independence of the auditor influence audit report quality	3.70	Influential	3.79	.42	3.83	.40	18	.41	.82
2.	Auditor's honesty influences audit report quality	3.54	Influential	3.42	.38	3.50	.37	18	.24	.77
3.	Auditor's independence of mind influence quality of audit report	2.94	Influential	3.62	.44	3.46	.43	18	.38	.80
4.	Non-disclosure of confidential information influences quality of audit report	3.56	Influential	3.57	.51	3.67	.54	18	.29	.71

5.	The reputation of the auditing office influences audit report quality	2.81	Influential	2.70	.37	2.92	.39	18	.54	.58
6.	Auditing office fee influences audit report quality	2.89	Influential	2.93	.31	2.88	.28	18	..59	.36

Key: X = item mean; X_1 = Mean of male internal auditors (14); X_2 = Mean of female internal auditors (6); SD_1 = Standard Deviation of male internal auditors; SD_2 = Standard Deviation of female internal auditors; df = degree of freedom; **Sig** = probability value (0.05); **t-cal** = calculated value of t-test.

Source: Authors computation (2021)

From Table 1, items 1-6 had mean scores above the cut-off point of 2.50, indicating influential. Therefore, respondents considered that professional ethics has influence on the quality of audit report in deposit money banks. Table 1 also shows t-test calculated and p-values for items 1-6. All the 6 items have their p-values greater than 0.05. Since the items have their p-values greater than 0.05, there exist enough evidence not to reject the null hypothesis. It therefore implies that there is no significant difference in the mean ratings of respondents on the influence of professional ethics on the quality of audit report in deposit money banks in Oyo, Oyo State, Nigeria based on their gender. The standard deviations of the respondents are low and not far from one another, it means that the respondents' ratings of all the items are closely related.

Table 2: Mean ratings and t-test analysis on the influence of professional ethics on the reliability of audit report in deposit money banks.

(N=20)

S/N	Item statement	X	Remark	X_1	SD_1	X_2	SD_2	df	tcal	Sig.
7.	Confidentiality of information influences reliability of audit report	2.82	Influential	2.78	.56	2.81	.54	18	.32	.42
8.	Competence and due care influence audit report reliability	3.37	Influential	3.25	.38	3.18	.49	18	.37	.71
9.	Exhibition of professional objectivity influences audit report reliability	3.64	Influential	3.64	.49	3.50	.54	18	.43	.79

10.	Compliance with laws and regulations influences reliability of audit report	3.78	Influential	3.85	.36	3.67	.52	18	.27	.55
11.	Auditor's independent in appearance determines reliability of the report	3.53	Influential	3.43	.50	3.33	.47	18	.12	.63
12.	Avoidance of conflict of interest influences reliability of audit report	3.25	Influential	3.21	.43	3.17	.41	18	.29	.43

Key: X = item mean; X_1 = Mean of male internal auditors (14); X_2 = Mean of female internal auditors (6); SD_1 = Standard Deviation of male internal auditors; SD_2 = Standard Deviation of female internal auditors; df = degree of freedom; **Sig** = probability value (0.05); **t-cal** = calculated value of t-test.

Source: Authors computation (2021)

From Table 2, items 7-12 had mean scores above the cut-off point of 2.50, indicating influential. Therefore, respondents considered that professional ethics has influence on the reliability of audit report in deposit money banks. Table 2 also shows t-test calculated and p-values for items 7-12. All the 6 items have their p-values greater than 0.05. Since the items have their p-values greater than 0.05, there exist enough evidence not to reject the null hypothesis. It therefore implies that there is no significant difference in the mean ratings of respondents regarding the influence of professional ethics on the reliability of audit report in deposit money banks in Oyo, Oyo State, Nigeria based on their years of service. The standard deviations of the respondents are low and not far from one another, it means that the respondents' ratings of all the items are closely related.

Discussion of Results

Result in Table 1 shows that all items were rated influential by internal auditors to have influence on the quality of audit report in deposit money banks in Oyo town of Oyo State, Nigeria. This is in agreement with the study of Mahdavikhou & Khotanlou (2012) which indicated that professional ethics are influential in the quality of audit report in business organization. However, the result of test of hypothesis in Table 1 shows that all item have their p-values greater than 0.05. It implies that there is no significant difference in the mean ratings of respondents on the influence of professional ethics

on the quality of audit report in deposit money banks in Oyo, Oyo State, Nigeria based on their gender. This finding is in consonance with the finding of Mahdavihou & Khotanlou (2012) who found that there is significant relationship between professional ethics and quality of financial reporting. "

Result in Table 2 reveals that all items were considered influential by internal auditors to have on the reliability of audit report in commercial banks. This finding lends credence to the findings of Husam et al. (2013) who found that professional ethics are factors that influence the reliability of audit report in deposit money banks in. Also, "Table 2 indicates that all items have their P-values greater than 0.05. This reveals that there is no significant difference in the mean ratings of respondents regarding the influence of professional ethics on the reliability of audit report in deposit money banks in Oyo, Oyo State, Nigeria based on their years of service.

Conclusion

The purpose of this study was to investigate accounting professional ethics and audit reporting in deposit money banks in Oyo township of Oyo State. Data were collected, analyzed and interpreted. Based on the findings of the study, it was concluded that accounting professional ethics have influence on the quality and reliability of audit report in deposit money banks.

Recommendations

Based on the findings, the study recommended as follows"

1. Auditors and other stakeholders should embrace application of professional ethics in the course of discharging professional duties so as to foster quality of audit report and other accounting tasks output.
2. Auditors should maintain higher level of specialty in carrying out auditing through participating in special seminars and training which will in turn increase their knowledge, skill and exposure in handling their professional tasks.

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FIRM SIZE AND PROFITABILITY NEXUS: A STUDY OF SELECTED MANUFACTURING COMPANIES IN NIGERIA

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ABSTRACTS

The paper investigates the correlation between firm size and profitability of 25 selected beverages manufacturing firms quoted on the Nigerian stock exchange. The study however, examined firm size, in terms of Total Assets (TA) while profitability in terms Return on Assets (ROA). Secondary data was obtained from the audited annual reports of the selected manufacturing firms listed in the Stock Exchange over the period of 2005-2015. Furthermore, liquidity, leverage and the ratio of inventories to total assets were used as the control variables. The results emanating from study showed that firm size, in terms of total assets has a positive effect on the profitability of Nigerian manufacturing companies which implies that firm size positively and significantly affect the profitability of manufacturing sector in Nigeria. Furthermore, on the control variables, positive relationships were obtained for all of the variables (liquidity, leverage and the ratio of inventories to total assets). Also, the Return on Assets (ROA) significantly affect the firm size. The paper concludes that there exists a bidirectional causal relationship between firm size and profitability in the Nigerian manufacturing sector.

Keywords: Firm Size, Profitability, Return on Asset, Manufacturing Sector, Nigeria

INTRODUCTION

Despite many studies on the relationship between firm size and profitability that occupy a substantial portion of economic literature, yet there are issues surrounding firm size-profitability nexus which have attracted a lot of academic interests from many parts of the world in recent time. Existing studies have continued to produce conflicting and inconclusive results. While some studies have reported positive correlation between firm size and profitability (Babalola, 2013; Doğan, 2013; Lee, 2009; Olaniyi & Obembe, 2015; Punnose, 2008; Vijayakumar & Tamizhselvan, 2010), some others

have reported negative results (Banchuenvijit, 2012; Becker-Blease, Kaen, Etebari & Baumann, 2010; Goddard, Tavakoli & Wilson, 2005). However, some others studies found no relationship between firm size and profitability (Goddard, Molyneux & Wilson, 2004; Niresh & Velnampy, 2014; Serrasqueiro & Nunes, 2008). The findings of previous empirical investigations on the relationships continue to differ depending on the methodology, measures of variables and the environment. These conflicting results cause a vague understanding of the relationship between firm size and profitability. Thus, it is an interesting subject area to explore. Bhayani, (2010) argue that an interesting aspect of economic growth is that much of it takes place through the growth in the size of existing organizations, this shows that the size of a firm plays a significant role in determining the kind of correlation the firm enjoys within and outside its operating environment. The larger a firm is, the greater the influence it has on its stakeholders. Also, the growing influences of conglomerates and multinational corporations in today's global economy (and in local economies where they operate) are indicative of what role size plays within the corporate environment.

Aside from the inconclusiveness of previous studies, the bulk of existing empirical studies have focused on the consequence of firm size on profitability, neglecting the possibility of feedback effect from profitability to firm size (Babalola, 2013; Doğan, 2013; Goddard *et al.*, 2004; Niresh & Velnampy, 2014; Wasiuzzaman, 2015). However, it has been widely debated in the literature that the profit rates of the firms can persist over time, and thus, increasing levels of profits can help firm to grow faster by widening the scope of operation (Akinlo, 2012a; Babalola, 2013). This shows there is a tendency and possibility for profitability to also affect firm size. This is because persistent profitability might result in a larger expansion of scope; hence, firm may experience growth in size. So, the unidirectional hypotheses emphasized in majority of existing studies that causality only runs from firm size to profitability may not be tenable. In view of this, it is not out of place for firm size and profitability to have causal relationship between them (Akinlo, 2012a).

Though, very few studies have been conducted on the relationship between firm size and profitability in Nigeria (Akinlo 2012a, Babalola, 2013, Ebiringa *et al.*, 2013, Inyiamal & Chukwuani, 2014, Olaniyi *e tal.*, 2017). In addition to the conflicting results on the relationship between firm size and profitability, many of the known existing studies in Nigeria have focused on the impact of the firm size on profitability and not impact on specific sector. However, it is possible for firm size to have different impact on different sectors. Hence, the objective of this paper is to determine the effect of firm size on profitability in manufacturing sector in Nigeria. The paper is organized follows. Section 2 reviews the existing empirical literature. Section 3 discusses the methodology and section 4 reports the empirical findings of the study. The last section concludes the paper.

Literature Review

From the theoretical perspective, theories of the firm try to explain why firms exist, what forms firm and market boundaries and why there are differences in their organization and performance. Regarding firm's objective, it is possible to divide theories of the firm in two groups: 1) those that believe a firm has only one objective and 2) those that think of firms as multi-purpose organizations. The backbone of the group of firm theories that consider firms aim to maximize a single objective is a classic or traditional theory which is focused on company's profit. Although importance of profit is unquestionable, complexity of internal and external variables leads to separation of ownership and managerial functions and consequently development of managerial firm theories. Three most significant managerial firm theories are those formed by Baumol, (1959). Williamson and Marris which regard maximising revenue, utility and growth as a firm's objective. These theories assume manager's goals are likely to be different from owner's which resulted in development of principal-agent analysis (Foss, Lando & Thomsen, 1999). Cyert, March and Simon are responsible for development of behavioural firm theories which belong to the group of firm theories which think of firms as multi-purpose organizations. Simon's model of rational choice focuses on process of making business decisions in a firm and argues that firms seek to accomplish more-humble goals than maximising utility or profit. According to Cyert and March's model a firm consists of individuals and groups with their own interests and aims and firm's performance is a result of conflicts and negotiation processes between these groups.

The firm theories are broader than explaining reasons for differences in firm's performance. Jonsson (2007) distinguished three categories of theories that believe that firm size matters:

- Principal-agent theory: – suggests that the separation of corporate ownership and control potentially leads to self-interested actions by managers who might expand their firm more or less to increase their own benefits, such as more prestige, better pay, and stock options;
- Strategic theories: – Porter's ideas of three generic strategies that firms can use (to attain overall cost leadership, product differentiation, or focus-based domination) represent a useful starting point when considering strategic options;
- Institutional theory: – suggests that organizations (firms) seek to behave in ways that will not cause them to be noticed as different and consequently singled out for criticism. Hence, firms will gradually become more similar in behaviour and adopt approaches to businesses that have been legitimized. Since the notion of business growth and “larger is better than smaller” is embedded in the institutional environment of organizations the isomorphic pressure will force firms to comply with the institutional environment.

The nature of the relationship between firm size and profitability has received considerable attention

in the economic literature, and it has provoked intense debates as existing studies continue to produce conflicting and inconclusive results. In fact, the general observation shows that bulk of existing studies focused on the effect of firm size on profitability, but results of their research outputs are far from being conclusive. While some empirical studies reported positive impact of firm size on profitability (Akinyomi & Olagunju, 2013; Babalola, 2013; Doğan, 2013; Lee, 2009; Olaniyi & Obembe, 2015; Punnose, 2008; Vijayakumar & Tamizhselvan, 2010; Wasiuzzaman, 2015), some others obtained negative impact (Banchuenvijit, 2012; Becker-Blease *et al.*, 2010; Goddard *et al.*, 2005).

A few others found no impact of firm size (Akinlo, 2012b; Goddard *et al.*, 2004; Niresh & Velnampy, 2014; Serrasqueiro & Nunes, 2008; Velnampy & Nimalathan, 2010). The mixed results may not be unconnected with different methodologies adopted, environmental diversities and diverse measures of variables used. As research outputs continue to differ, the attention of scholars has centered mainly on the effect of firm size on profitability with little or no focus on the possibility of the feedback effect.

Only few studies Akinlo, (2012a) have explored the causal relationship between firm size and profitability, despite the fact that it has been argued extensively in literature that 'the profit rates of the firms can persist over time, and hence, the increasing levels of profits can help firm grow faster' (Akinlo, 2012a). This makes it necessary to place emphasis on the possibility of causal links between firm size and profitability. Neglecting this important aspect could lead to spurious estimates. Meanwhile, empirical studies on the causal relationship are very scant, and their findings have been mixed.

Although, using similar approach but produced different results, Inyama & Victoria (2014) examined the nexus between firm size and profitability in Nigerian brewery industry. They adopted Engle and Granger two-step cointegration approach to analyze the relationship. Their results established no causal links between firm size and profitability in Nigerian brewery sector.

Ozgulbas *et al.*, (2006) studied the effects of firm size on performance over the firms operating in Istanbul Stock Exchange between the years of 2000 to 2005. The result of their study found that big scale firms have a higher performance as compared to small scale firms. In a similar fashion, Jonsson, (2007) also looked at the relationship between profitability and size of the firms operating in Iceland. Results of the analysis showed that bigger firms have higher profitability as compared to smaller firms. Banchuenvijit, (2012) studied factors affecting performances of the firms operating in Vietnam. A positive relation has been found between total sales and profitability of the firms but on the contrary, a negative relation has been found between profitability and total assets. Additionally, the author has found statistically non-significant results between number of employees and profitability.

Velnampy (2006) studied the financial position of the companies and the relationship between financial position and profitability with the sample of 25 public quoted companies in Sri Lanka through the use of Altman Original Bankruptcy Forecasting Model. According to his verdicts, out of 25 companies only 4 companies were in the danger of going bankrupt in the near future. Moreover, he also found that in deciding the financial position of the quoted companies, earning/total assets ratio, market value of total equity/book value of debt ratio and sales/total assets in times were the most significant ratios. After the above review, it is possible to say that the results of the empirical studies on the effects of size on profitability are far from being unequivocal. Yet, some studies find a positive impact, while others find negative or no relationship between firm size and profitability.

3. Data Description and Methodology

3.1. Data Sources and Description

This study adopted the use of secondary data obtained from listed manufacturing firms in the Nigerian Stock Exchange for the period 2005-2015. The sample comprised 25 randomly selected beverages manufacturing companies per year observations for the period under consideration. The annual data on variables such as total assets, liquidity, leverage and inventory were sourced from the Annual Reports and Statement of Account of the respective listed firms. The annual reports were obtained from the Nigerian Stock Exchange.

3.2 Data Analysis Techniques

The study employs the use of econometrics analysis using Panel Dynamic OLS proposed by Stock

$$ROA_{it} = \alpha_0 + \alpha_1 TA_{it} + \alpha_2 LIQ_{it} + \alpha_3 LEV_{it} + \alpha_4 INV_{it} + \eta_i + \varepsilon_{it} \dots\dots\dots(1)$$

Where 'i' is referred to as an individual firm, 't' referred to as year, η_i denotes unobservable heterogeneity (individual effect) specific to each firm, α_0 is a constant and ε is an error term. Log of total assets used as proxies for firm size while return on assets (ROA) is used as a proxy for profitability. Moreover, the control variables include: liquidity (measured by Current Asset divided by Current Liabilities CA/CL), leverage (measured by Total Liabilities divided by Total Assets TL/TA), and inventory management (measured by Total Inventory divided by Total Assets INV/TA).

3.3 Panel Unit Root Test

Panel based unit root test are more preferred to individual time series ones given the better power properties of the former test. Cross – sectional independence is a crucial assumption for all the readily available panel unit root tests. However, Im, Pesaran & Shin (IPS) panel unit root test by Im *et al.*, (2003) relaxes the restrictive assumptions of no serial correlation and panel homogeneity. Im

et al., (1997) proposed demeaning procedure (subtracting group mean from the data) to denounce the contemporaneous correlation of the data. Therefore, we have used IPS panel unit root test along with Levin, Lin & Chu (LLC) panel unit root test by Levin *et al.*, (2002), ADF – Fisher and PP – Fisher panel unit root test by Choi, (2001) to detect the stationarity of the variables. In order to carry out these tests first for each variable, we estimated an autoregressive (AR) process, and then an Augmented Dickey Fuller (ADF) test regression was fitted for each cross-section unit. For detecting the stationarity of the variables, the statistical significance of the autoregressive coefficient attached with lagged level dependent variable in test regression is tested. Therefore, if the ADF test regression takes the following form:

$$\Delta y_{i,t} = \alpha y_{i,t-1} + \sum_{j=1}^{p_i} \beta_{i,j} \Delta y_{i,t-j} + x'_{i,t} \delta + \varepsilon_{i,t} \quad \dots \dots \dots (ii)$$

then the appropriate null hypothesis for testing the panel unit root would be $H_0 : \alpha_i = 0$, for all i . In the above regression y_{it} denotes the variable of concern for which stationary property would be tested and $x_{i,t}$ stands for other control variables.

3.4 Panel Cointegration Test

Several panel cointegration tests are available, including Pedroni (1999; 2004), McCoskey & Kao (1998), Kao (1999) and Westerlund (2007). The study employed Pedroni (1999; 2004) panel cointegration test for detecting the existence of cointegrating relationship among the variables. The reason is that the first one allows for heterogeneity while the second one is robust against heterogeneity and cross correlation in panel.

Pedroni Panel Cointegration Test

The Pedroni (1999; 2004) is an Engle – Granger based panel cointegration test. Pedroni's proposed test for panel cointegration considers heterogeneous intercept and trend coefficient across cross country. I estimated the following regression to conduct the test:

$$ROA_{i,t} = \alpha_i + \phi_i t + \alpha_1 TA_{i,t} + \alpha_2 LIQ_{i,t} + \alpha_3 LEV_{i,t} + \alpha_4 INV_{i,t} + \varepsilon_{it} \quad \dots \dots \dots (iii)$$

where, $i = 1, 2, \dots, N$ and $t = 1, 2, \dots, T$, and ROA, TA, LIQ, LEV and INV are assumed to be integrated of order one, $I(1)$. I obtained the residuals from the above regression and performed an ADF test on the residuals to estimate whether they are $I(1)$ using the following test regression for each country:

$$\Delta e_{i,t} = \rho_{it} y_{i,t-1} + \sum_{j=1}^{p_i} \psi_{i,j} \Delta e_{i,t-j} + v_{i,t} \quad \dots \dots \dots (iv)$$

Based on various methods, Pedroni provided a total of eleven statistics in two groups; panel statistic (within dimension) and group statistic (between dimension). The following hypothesis is tested against the alternatives:

$H_0: \rho = 0$ (No Cointegration)

Homogeneous Alternative; $H_1: (\rho_i = \rho) < 1 \forall i$

Heterogeneous Alternative; $H_1: \rho_i < 1 \forall i$

In particular panel statistic is concerned with homogeneous alternative while group statistics is concerned with the other. However, all these statistics are distributed as asymptotically normal.

3.5 Estimation of Cointegrating Relationship

In the data ROA, TA, LIQ, LEV, INV and also the error terms can be serially correlated which would result in the dependence of OLS estimators on nuisance parameters. In order to solve these problems, DOLS estimators can be introduced. Phillips & Hansen (1990) proposed a semi parametric correction for the problem of long run correlation among cointegrating equation and stochastic regressors innovations resulting in FMOLS estimators. It is asymptotically unbiased. On the other hand, Saikkonen (1992) and Stock & Watson (1993) advanced an asymptotically efficient estimator which eliminates the feedback in the cointegrating system by augmenting the cointegrating regression with lags and leads of independent variables. The resulting estimator is known as DOLS estimator. With a view to explain the idea of FMOLS estimator consider the following fixed effect model:

$$ROA_{i,t} = \alpha_i + x'_{i,t} \beta + u_{i,t} \dots\dots\dots(v)$$

Where, $i = 1, 2, \dots, N$ and $t = 1, 2, \dots, T$ indexes cross section and time series units respectively, $ROA_{i,t}$ is the return on assets (an $I(1)$ process), β is (4×1) vector of parameters, α_i are intercepts and $u_{i,t}$ are the stationary disturbance terms. Here $x_{i,t}$ are assumed to be (4×1) vector of independent variables (TA, LIQ, LEV, INV) which are $I(1)$ for all cross section units. It is assumed that it follows an autoregressive process of following form:

$$x_{i,t} = x_{i,t-1} + \varepsilon_{i,t} \dots\dots\dots(vi)$$

Innovation Vector, $w_{i,t} = (u_{i,t}, \varepsilon_{i,t})$

Given that $w_{i,t} = (u_{i,t}, \varepsilon_{i,t}) \sim I(0)$ the variables are said to be cointegrated for each members of the panel with cointegrating vector β . The asymptotic distribution of the OLS estimator is condition to the long run covariance matrix of the innovation vector. The FMOLS estimator is derived by making endogeneity correction (by modifying variable $ROA_{i,t}$) and serial correlation correction (by modifying long run covariance of innovation vector, $w_{i,t}$). The resulting final estimator is expressed as follows:

$$\hat{\beta}_{FMOLS} = \left[\sum_{i=1}^N \sum_{t=1}^T (x_{it} - \bar{x}_i)(x_{it} - \bar{x}_i)' \right]^{-1} \times \left[\sum_{i=1}^N \left(\sum_{t=1}^T (x_{it} - \bar{x}_i) \widehat{ROA}_{it} - T \hat{\Delta}_{\varepsilon u} \right) \right] \dots (vii)$$

The cointegrating regression is augmented by lead and lagged differences of TA and other independent variables in DOLS framework for controlling endogeneity (by following Saikkonen, (1998)). For controlling serial correlation, lead and lagged difference of the ROA has also been included in the model (by following Stock & Watson, (1993)). Thus, the estimated regression equation under DOLS framework was as follows:

$$ROA_{i,t} = \alpha_i + \beta_i x_{i,t} + \sum_{k=-p_2}^{p_2} \delta_k \Delta ROA_{i,t-k} + \sum_{k=-q_1}^{q_2} \lambda_k \Delta x_{i,t-k} + u_{i,t} \dots \dots \dots (viii)$$

4.0 Results

4.1. Results of Panel Unit Root Tests

Basically, specification of the ADF functional form depends on the characteristics of the time series analyzed. When the ADF test is applied to the series levels, it is common to check both ADF versions with intercept only and intercept and trend (see e.g., Al-Mulali (2011)). We applied LLC, IPS, and CIPS panel unit root tests to ROA, TA, LIQ, LEV and INV levels and first differences, considering both versions of ADF specification. In the case of LLC and IPS tests, time series were cross-sectionally demeaned to impede the effects of cross-section dependence. Results are provided in Table 1. Results of the panel unit root testing are mixed, especially in case of return on investment, leverage and inventory management, where LLC and IPS tests indicate stationarity in both levels in first differences, while CIPS mostly suggests that some panels are not stationary. In the case of total asset, the situation is clearer, as IPS and CIPS suggest non-stationarity in levels and stationarity in differences and these two tests are more reliable, keeping in mind that LLC restriction on common autoregressive processes for all panels is too restrictive. We considered both all the variables used to be non-stationary in levels and stationary in differences.

Table 1.: Panel Unit Root tests

		Level		First Difference	
		Intercept	Intercept and Trend	Intercept	Intercept and Trend
Log(ROA)	LLC	-3.7864***	-7.159***	-6.914***	-5.6412***
	IPS	-1.8709**	-1.8709***	-4.943***	-4.9329***
	CIPS	-1.984	-2.095	-2.222**	-2.229

	LLC	-2.1855**	-3.6908***	-7.149***	-8.5949***
Log(TA)	IPS	-0.7983	-1.8554	-3.269***	-3.5160***
	CIPS	-1.670	-2.293	-2.678***	-3.485***
	LLC	-2.3470***	-7.9209***	-3.995***	-3.3384***
Log(LIQ)	IPS	-1.8953**	-2.9437***	-4.541***	-4.4075***
	CIPS	-0.1200	-1.2310	-2.856***	-3.0144**
	LLC	-7.743***	-11.163***	-15.54***	-18.912***
Log(LEV)	IPS	-3.3412**	-3.9452***	-3.452***	-6.4978***
	CIPS	-1.6654	-2.3702	-3.3837*	-3.8695
	LLC	-4.0797**	-7.127***	-7.103***	-8.918***
Log(INV)	IPS	-2.095**	-3.264***	-3.995***	-4.1002**
	CIPS	-1.2035	-2.306*	-2.9810	-3.0122

*Note: Null hypothesis: Panels are stationary; IPS and CIPS tests based on ADF and CADF group-mean t-test statistics, respectively. Levels of significance: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.*

LLC, Levin-Lin-Chu test; IPS, Im-Pesaran-Shin test; CIPS, Cross-sectional IPS test; ADF, augmented Dickey-Fuller; CADF, Cross-sectional ADF regression.

4.2. Results of Cointegration Analysis

As in Al-Mulali's work (2011), the study started with the regression equation where ROA is a dependent variable, and TA, LIQ, LEV, INV are the explanatory variables. Then we applied seven Pedroni's tests of panel cointegration. We considered both cases of deterministic trend and intercept only. The null hypothesis for all tests assumes no cointegration between variables. Results are presented in the Table 2. It can be regarded as a sign of robustness if different test statistics lead to the same test decision, because evidence based on Monte Carlo simulations has shown that the various test statistics perform differently depending on the panel dimension and the assumed data generating process (Hossfeld, 2016:16). In the case of this paper, the majority of tests clearly suggest rejecting the null hypothesis and presence of cointegration, both in cases of deterministic trend and no trend included.

Table 2.: Panel Cointegration Tests

Dimension	Test Statistics	Intecept	Intercept and Trend
Within-Dimension	Panel v-Statistic	3.1553***	0.7033
	Panel rho-Statistic	-3.423***	-0.2595
	Panel PP-Statistic	-5.123***	-3.0995***
	Panel ADF-Statistic	-5.5646**	-4.1467***
Between-dimension	Panel rho-Statistic	-1.8934**	-0.9856
	Panel PP-Statistic	-6.465***	-4.3848***
	Panel ADF-Statistic	-7.598***	-6.2163***

Note: Alternative: common AR coefficients for within-dimension, individual AR coefficients for between dimension. Levels of significance: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Next, we estimated the cointegrating relationship between carbon-dioxide and GDP using both the DOLS estimators. The trend in the DOLS estimation was suppressed by the specification of the regression in dynamic terms. In contrast to FMOLS, augmentation of model with lags and leads of differenced regressand and regressors in DOLS helps to overcome the problem of asymptotic endogeneity and serial correlation. Kao & Chiang (2000), Mark & Sul (1999, 2003) and Pedroni (2001) extended the standard DOLS estimation developed by Saikkonen (1992) and Stock & Watson (1993). Kao & Chiang (2000) proposed pooled DOLS where the augmented cointegrating regression allows the short run dynamics to be cross section specific. By allowing heterogenous long run variance, Mark & Sul (1999, 2003) developed pooled weighted DOLS. Finally, Pedroni (2001) developed the grouped mean DOLS estimates by averaging the individual cross section DOLS estimates.

Table 3 provides the coefficient estimates for the dynamic OLS model. The results show that total asset which represents firm size is positively associated with the profitability of firms in the pooled, weighted and grouped versions of the DOLS. According to the result in table 3, firm size has a positive influence on the profitability of Nigerian manufacturing companies that are listed in the Nigerian Stock Exchange market. The findings is in line with the results of Papadognas (2007),

Serrasqueiro & Nunes (2008), Vijayakumar & Tamizhselvan (2010), Halil & Hasan (2012), Maja & Josipa (2012) and supports the argument that larger firms have a greater possibility of taking advantage of economies of scale by exploiting experience curve effects and setting prices above the competitive level (Hardwick, 1997) and those firms have the chance of capital cost savings with the economies of scale (Ravenscraft & Scherer, 1987).

Table 3.: Estimation of Cointegrating Regression

DOLS			
Vrb	Pooled	Weighted	Grouped
Log(TA)	0.742*** (0.008)	0.807** (0.025)	0.676** (-0.012)
Log(LIQ)	0.477*** (0.001)	0.124** (0.035)	0.178** (0.021)
Log(LEV)	0.774** (0.045)	0.917*** (0.002)	0.831*** (0.004)
Log(INV)	0.924** (0.032)	0.841** (0.014)	0.730*** (0.003)
Constant	-4.238** (0.023)	-1.282*** (0.005)	-1.727* (0.080)
No. of Obs.	275	275	275
R²	0.629	0.679	0.635
Adj. R²	0.396	0.461	0.402
Std Error of the Est.	0.05985	0.05652	0.06523

Note: In DOLS (Pooled) estimation coefficient of covariance was computed using sandwich method and the estimation individual heteroscedasticity and autocorrelation consistent standard errors and covariances were used. '***' Indicates 1%, '**' indicates 5% and '*' indicates 10% level of significance.

Furthermore, the results of the study vary with the work of Amato & Wilder (1985), Ammar *et al.*, (2003), Jonsson, (2007) and Lee (2009) as they reported a negative relationship between firms' size and profitability. Moreover, the study conforms with the work of (Zubairi 2009; Dogan 2013; Saliha & Abdessatar 2011). The results also supported the findings of Akinlo (2012a) and Olaniyi *et al.*, (2017) which established a bidirectional relationship firm size and probability of non-financial listed firms within the context of Nigeria. The other control variable also shows positive and statistically significant relationships between firm size and profitability of manufacturing sector in Nigeria.

Conclusion

This study examined the relationship between firm size and profitability of 25 beverages manufacturing companies randomly selected within the Nigerian manufacturing sector. Panel data set over the period of 2005-2015 was obtained from the audited annual reports of the selected manufacturing firms listed on the Nigerian Stock Exchange. Return on assets (ROA) was used as a measure of profitability while log of total assets as proxies for firm size. Furthermore, liquidity, leverage and the ratio of inventories to total assets were used as the control variables. The study shows that, total asset, used to proxy firm size has a positive significant effect on the profitability of Nigerian manufacturing companies. Furthermore, on the control variables, positive relationships were obtained for all the variables. The results emanating from study showed that firm size, in terms of total assets has a positive effect on the profitability of Nigerian manufacturing companies which implies that firm size positively and significantly affect the profitability of manufacturing sector in Nigeria. Furthermore, on the control variables, positive relationships were obtained for all of the variables (liquidity, leverage and the ratio of inventories to total assets). Also, the Return on Assets (ROA) significantly affect the firm size. The study confirms the empirical result of bidirectional causality between firm size and profitability in the Nigerian manufacturing industry. The paper concludes that there exists a bidirectional causal relationship between firm size and profitability in the Nigerian manufacturing sector.

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INFLUENCE OF ENTREPRENEURIAL PROMOTION ON THE GROWTH OF SMALL AND MEDIUM SCALE ENTERPRISES (SMEs) IN ENUGU METROPOLIS

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ABSTRACT

This study investigated the relationship between entrepreneurial promotion on growth of small and medium Enterprises in Enugu Metropolis. The objective was to ascertain the relationship between entrepreneurial advertising and promotion of growth of small and medium enterprises in Enugu. The study employed descriptive survey design. Out of a total of five hundred and seventy-four (574) copies of questionnaires distributed, four hundred and sixty-six (466) copies were found fit for analysis. The Spearman rank correlation coefficient tool was adopted with the aid of Statistical Package for Social Sciences (SPSS version 23.0). The findings of the study showed that entrepreneurial promotion significantly influenced and related with growth of Small and Medium Enterprises (SMEs). The findings equally recommended that, government of Nigeria should invest in enhancing the entrepreneurial promotion level of small and medium scale enterprise owners through trainings and incorporating financial literacy issues in formal education so as to improve the financial performance of the SMEs. This will no doubt encourage SMEs to expand and grow in areas they are lacking.

Key Words: Entrepreneurial Promotion, Advertising, Growth.

INTRODUCTION

Today's business environment is like a war zone with increasing chaos, turbulence, high competition and complexities which requires skills and professional acumen to carve a profitable niche in every industry especially, the SMEs. SMEs are stimulants for competition growth in today's world business, entrepreneurship offer wide benefits to the economy in the innovation and aggregation of productivity growth in the SMEs (Tarfasa, and Behailu, 2016). The SMEs contributions to market

output, employment in both developed and developing countries and the revitalization of the global economy of various nations (Paul, 2019). They are considered as one of the key economic drivers and major backbone towards the attainment of national development and business sustainability (Author's Observation, 2021). A larger number and about 90% of Nigerians are entrepreneurs and small independent business owners (Author's Observation, 2021). It is necessary to realize that money and/or revenue has played more and more important role in the small and medium scale enterprises terrain on building the world economic growth. For that reason, it is necessary for entrepreneurs to dispose of basic marketing communication knowledge at least and consequently to apply it into praxis. The complex of these marketing communication skills could be summarized as entrepreneurial promotion.

Paul (2019) opines that an entrepreneur is a person who initiates, originates and innovates ideas in order to manipulate it as vision and foresight of handling what to produce, for whom to produce and how best to produce it for profit making purposes. The growth of SMEs in any developing nation stimulates industrializations and brings wealth and prosperity for them and for others as well. The entrepreneurs are also important in any economy as they use resources innovatively. Entrepreneurs use creative and innovative marketing weapons or strategies to compete favourably in the market.

Entrepreneurial promotion refers to the communication and selling part of marketing. It is how you let people know what you've got for sale. The purpose of entrepreneurial promotion is to get people to understand what your product is, what they can use it for, and why they should want it. You want the customers who are looking for a product to know that your product satisfies their needs. Entrepreneurial Promotion is classified as one of the backbones of entrepreneurial marketing strategies, which is used to increase the consumers' purchasing behavior. It has shown that among the competitive businesses, entrepreneurial promotion is an essential factor to a new product/service, SMEs and present product/service to continue surviving in the market shelf (Abdalnaser, Jaradat and Fatima, 2015).

Entrepreneurial promotion basically has to deal with making people aware of the existence of a product and equally stimulating people to buy more of the product, thereby increasing sales and growth of SMEs in the country (Porter, 2018).

The development of an effective entrepreneurial promotional plan or strategy is an issue most SMEs face in recent times, especially in Enugu metropolis. Attracting, influencing, persuading, reminding, informing, satisfying and retaining new and existing customers are ultimate for the sustainability of SMEs, especially in this era of stiff competition and Covid-19 economic crisis.

However, failure of SMEs to develop an effective entrepreneurial promotion has impacted negatively in the growth of SMEs. Customers are unaware of the existence of some SMEs' product in the market, due to lack of effective entrepreneurial promotion. This perceived trend may negatively

affect the survival of the firms/SMEs in Enugu metropolis and thus, diminish the growth of SMEs in Enugu State. This formed the basis for carrying out this study on entrepreneurial promotion and growth of small and medium enterprises in Enugu Urban in order to close the existing gap.

Objective of the Study

The general objective of this study is to investigate the entrepreneurial promotion and growth of small and medium enterprises in Enugu. Based on this, the specific objective is:

- i. to determine the influence of relationship between entrepreneurial advertising and growth of SMEs in Enugu Metropolis.

Research Questions

Based on the objective of the study, the research question is:

- i. to what extent does entrepreneurial advertising relationship influence growth of SMEs in Enugu Metropolis?

Variables and Conceptual Framework

In this study, Entrepreneurial Promotion (EP) is the predictor (Independent) variable with its dimension as Entrepreneurial Advertising (EA) while the criterion (dependent) variable is Growth of Enterprises (GE). The attributes of these variables include:

Based on the research variable, the study is expressed in the following functional relationship:

$$GE = F(EP) \dots\dots\dots 1$$

$$EP = EA, \dots\dots\dots 2$$

$$EG = EP, EA \dots\dots\dots 3$$

Where:

EG = Growth of Enterprises (SMEs)

EP = Entrepreneurial Promotion

EA = Entrepreneurial Advertising

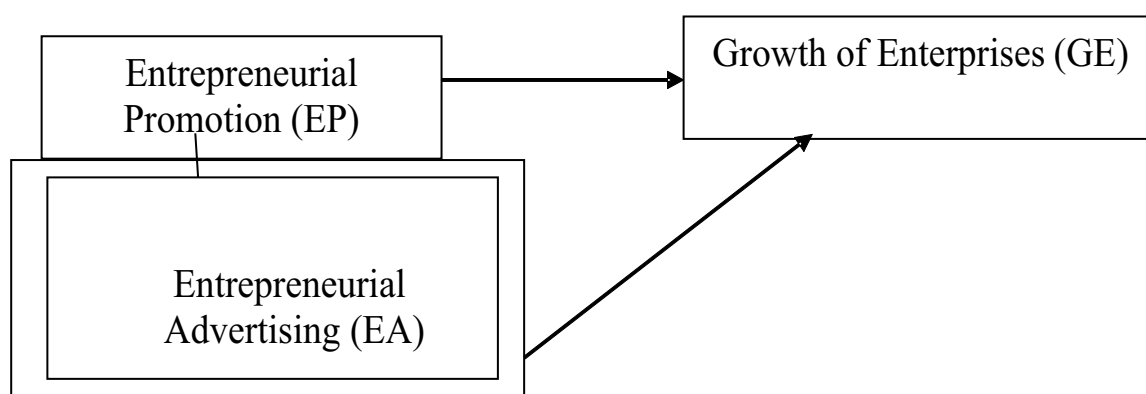


Figure 1.1: Operational framework of the relationship between Entrepreneurial Promotion and Growth of Enterprises (SMEs). Author's Concept 2021.

Research Hypotheses

The following hypotheses have been formulated:

H₀: There is no significant influence between entrepreneurial advertising and growth of SMEs in Enugu Metropolis.

H_a: There is significant influence between entrepreneurial advertising and growth of SMEs in Enugu Metropolis.

Study Limitation

The research was limited to SMEs in Enugu Urban. As such the findings may not have a wider generalization.

LITERATURE REVIEW

Entrepreneurial Promotion

Entrepreneurship has been defined as the process of creating value by bringing together a unique set of resources, an opportunity to exploration. The process includes the set of activities to identify opportunities, business definition, evaluation and acquiring the necessary resources, management and getting results. Entrepreneurship is the main mediator of change. The events leading to the elimination of economic equilibrium and entrepreneurial phenomenon; what Schumpeter termed as "creative destruction" (Schumpeter, 2007).

According to Brassington and Pettitt (2000), entrepreneurial promotion is the direct way in which an entrepreneur communicates the product or service to its target audiences. Chen (2005) found that different categories of entrepreneurial promotional products in different ways under the willingness to buy have differences, positive effects on cognitive value. Different products or different customers need different entrepreneurial promotional strategies, which have a significant impact on customer satisfaction and economic growth.

For this study, entrepreneurial promotion refers to the combination and types of promotional mix/effort the firm puts forth during a specified time period towards growth of SMEs.

Entrepreneurial Advertising

Brassington and Pettit (2020) define entrepreneurial advertising as any paid form of non-personal communication directed towards target audiences and transmitted through various mass media in order to promote and present a product, services or idea. The key difference between entrepreneurial advertising and other entrepreneurial promotion is that, it is impersonal and communicates with large numbers of people through paid media channels. According to Meidan (2014) an entrepreneur can use its advertising strategy to achieve her objectives either for short-term or long-term bases. Organizations attempting to create a long-term relationship, should build up of its name by using institutional advertising, while SMEs interested in promoting its brand name and its differentiated products would use an entrepreneurial advertising policy (Mbogo, 2015). Meidan (2017) split entrepreneurial advertising in two forms; institutional and brand entrepreneurial advertising. The

institutional entrepreneurial advertising consists of entrepreneurial promotion of the firms' image as a whole and promotion of the products offered with extra emphasis on the specific firm's name organization (Meidan, 2017). The entrepreneur seeks through its entrepreneurial marketing communications to build awareness and to impress customers looking for the best range of expectations.

Growth of Small and Medium Enterprises

In recent times, more Small and Medium Enterprises (SMEs) are springing up on daily basis and the market now have more dynamism and stiffer competitive. Small and Medium Enterprises are becoming more dynamic and they are using different strategies in order to still remain relevant in the market and business environment, (Baig,2017). All entrepreneurial marketing strategies cannot be applicable to all SMEs; Every SMEs should identify suitable entrepreneurial marketing strategies that best fits its own operations, if we must achieve adequate growth in small and medium Enterprises. Without the appropriate entrepreneurial marketing strategies, SMEs cannot survive in today's competitive environment. *SMEs in Nigeria face enormous pressures as the nation integrates more into the world globalized economy. Influences impacting as both external and internal factors, can be found in the business environment, such as globalization, technological innovation and demographic and social change, as well as the level of technology deployed, innovative ability, financial support, saturated domestic market and entrepreneurship.*

Theory Relevant to the Study

AIDA Theory

AIDA is an acronym for: Awareness, Interest, Desire and Action. According to AIDA model, organizations should begin by winning attention of the customers or gaining awareness, creating interest for the customer to like their products/service, inspiring desire and precipitating the action or purchase for the prospects in order to enable its products to be adopted by the target market, (Kimmel, 2005 as cited in Mbogo, 2013). The AIDA model produces a detailed atmosphere about the entire mechanism of how entrepreneurial advertising influences consumer behaviour and their purchase decisions. It explains how entrepreneurial personal selling works and shows a set of ladders like stages, which elucidates the process leading a potential customer to purchase. The first element, that is attention, describes the phase in which the brand manages to gain the attention of the potential/actual consumer through the available channel of communications that he/she has come into contact with (Mbogo, 2013). This could be in three ways, either positive or negative attention or sometimes, in a worse scenario, no attention at all. From the entrepreneurial advertiser's stand-point, only the first case is a favourable one where the consumer pays positive attention to the advertisement and eventually the brand (Kotler, 2007).

Empirical Review

Kumar (2015) investigated the impact of sales promotion on middle class consumers and brand equity perception with respect to selected FMCG products in India. Coupon, contest & sweepstakes, sampling, money refund, premiums, bonus packs, loyalty schemes, exhibitions and packaging were their dimensions. 2401 Middle class consumers around Mumbai, Pune and Nagpur were drawn and used as the sample size. It was found that, sales promotions and its constructs were positively correlates with brand equity perception.

Nadeem et al., (2013) investigated on the role of sales promotion on sales volume in fast moving consuming goods (FMCG) in Pakistan. *Structured questionnaire was used to collect information from (120) respondents through simple random sampling method. Data is analyzed with the help of SPSS. There are the two dimensions of sales promotion which are bonus pack and premium.* Their results showed that there was a positive relationship between bonus-pack and premium and sales volume.

METHODOLOGY

Design

The researcher adopted survey design method using primary and secondary data sources.

Population of study

Study focused on small and medium scales enterprises operating in Enugu Metropolis. According to Enugu State SME Centre (2020), they are One Thousand and Sixteen (1016) registered Small and Medium Enterprises in Enugu Metropolis. Operators, Directors, Managers and Account Officers of the One Thousand and Sixteen (1,016) registered small and medium scale enterprises serves as our accessible population.

Sampling Size and Sample Determination Techniques

In order to determine the sample size of this study from the larger population, The following specification model was used:

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

Where:

n= sample size

N= estimated size of the population of interest ---- (1016)

e= the level of significance ---- (0.05)

$$n = \frac{1016}{1+1016(0.05^2)}$$

$$n = \frac{1016}{1+1016(0.0025)}$$

$$n = \frac{1016}{1+2.54}$$

$$n = \frac{1016}{3.54}$$

$$n = 287$$

Two hundred and eighty-seven (287) serves as the sample size for this research work. Simple random technique was used in selecting without bias two hundred and eighty-seven (287) SMEs from the possible one thousand and sixteen (1016) given each Small and Medium Enterprises equal chance of being chosen. Two (2) copies of questionnaires were administered to each two hundred and eighty-seven (287) to give us a total of five hundred and seventy-four (574) respondents and filled by the operators, managers, account/finance officers. These selected respondents are drawn conveniently.

Method of Data Analysis

The primary data collected was analyzed using descriptive and inferential statistics. It was presented in both tabular and graphical forms. Thus, 5-point liker-scales of Agree (A), Strongly Agree (SA), Neutral (N), Disagree (D) and Strongly Disagree (SD) were used in analysing the specific objective in which 3.0 was used as mean rating whereby mean variation of below 3.0 was considered not influential and above 3.0 threshold was influential.

The Spearman's rank correlation coefficient was adopted to test the Null hypothesis formulated for the study. The SPSS version 23 software was used for the analysis.

Testing of Hypotheses

As stated in the above section of Method of Data Analysis, the hypotheses were tested using the spearman's rank correlation coefficient.

Decision Rules

Table 1: Conditions for Decision Rule

Details	Conditions	Decisions
Null Hypotheses (Ho)	$P_v > 0.05$	Accept
Null Hypotheses (Ho)	$P_v < 0.05$	Reject
Alternate hypotheses (Ha)	$P_v < 0.05$	Accept
Alternate hypotheses (Ha)	$P_v > 0.05$	Reject
Negative strength	-0.1 to -0.3	weak relationship
Negative strength	-0.4 to -0.6	moderate relationship
Negative strength	-0.7 to -0.9	strong relationship
Negative strength	-1	perfect relationship
Positive strength	+0.1 to +0.3	weak relationship
Positive strength	+0.4 to +0.6	moderate relationship
Positive strength	+0.7 to +0.9	strong relationship
Positive strength	+1	perfect relationship

From the above table accept the null hypothesis (Ho). While we reject the alternate result (Ha) if the significant probability value is greater than 0.05 level, ($PV > 0.05$), that is, no significant coefficient exists. Also, Reject the null hypotheses (Ho) and accept the alternate result (Ha), if the significant probability value is less than 0.05 level, ($PV < 0.05$), as it proves that significant coefficient is existing. Decisions on the level of influence are: -0.1 to -0.4 level (weak negative influence), -0.5 to -0.7 level (moderate negative influence), -0.8 to -0.9 level (strong negative influence), -1 level (perfect negative influence); +0.1 to +0.4 level (weak positive influence), +0.5 to +0.7 level (moderate positive influence), +0.8 to +0.9 level (strong positive influence), +1 level (perfect positive influence).

Table 2: Entrepreneurial Advertising and Small and Medium Enterprises (SMEs) Correlation Relationship

		Entrepreneurial Advertising	SMEs
Spearman's rho	Entrepreneurial Advertising	Correlation Coefficient	1.000
		Sig. (2-tailed)	.908**
		N	.000
	SMEs	Correlation Coefficient	466
		Sig. (2-tailed)	.000
		N	466

Source: SPSS Results, 2021

Above table revealed the significant nexus between entrepreneurial advertising and measures of growth of Small and Medium Enterprises (SMEs). The results further showed that entrepreneurial advertising at a $P_v < 0.05$, significantly relate towards growth of small and medium scale enterprises in Enugu. From the output, it showed that entrepreneurial advertising has a significant and positive relationship with SMEs at a $\rho = 0.908$ and a $P\text{-value} = 0.000$. These results ascertain that entrepreneurial advertising has a significant and positive relationship with growth of small and medium enterprises in Enugu.

We therefore rejected H_0 , and H_a because of the $p\text{-value}$ level of (0.000) which is below the significant level at 95% (0.05) as established in the decision rule.

Table 3: Summary of Validity and Reliability Analysis

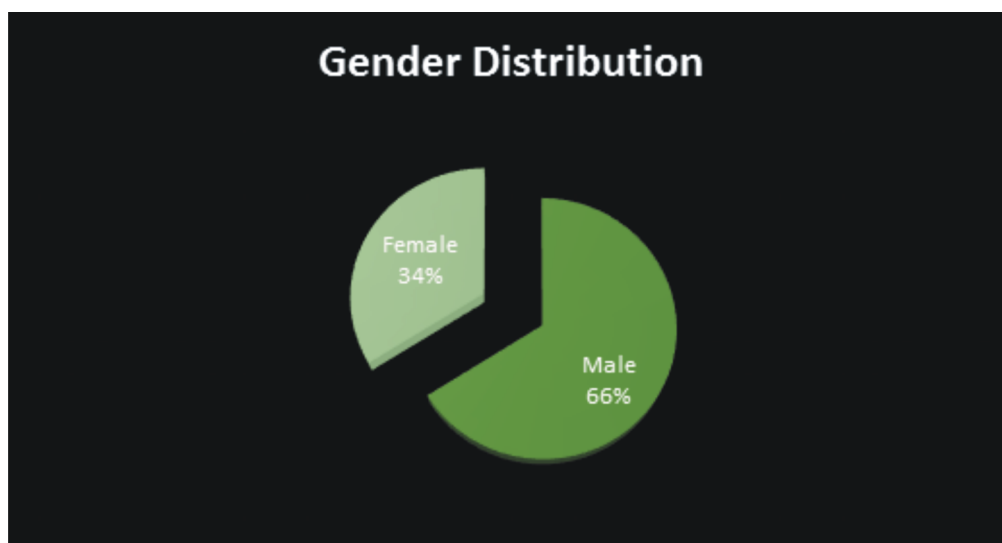
Constructs	No. of items	Cronbach Alpha
Entrepreneurial advertising	4	0.703

Source: Cronbach Alpha output

Based on Table 1 above, the Cronbach's Alpha value for entrepreneurial advertising with four items was 0.703; Entrepreneurial advertising for the Cronbach's Alpha value. All Cronbach's Alpha values for each construct were more than 0.70. Thus, it can be concluded that all items for each construct in this research were in the range of 'good' and 'very good' which showed high stability, consistent results and also in the satisfactory level. Details of the results were shown in Appendix.

DISCUSSIONS AND RESULTS

Demographic Distribution



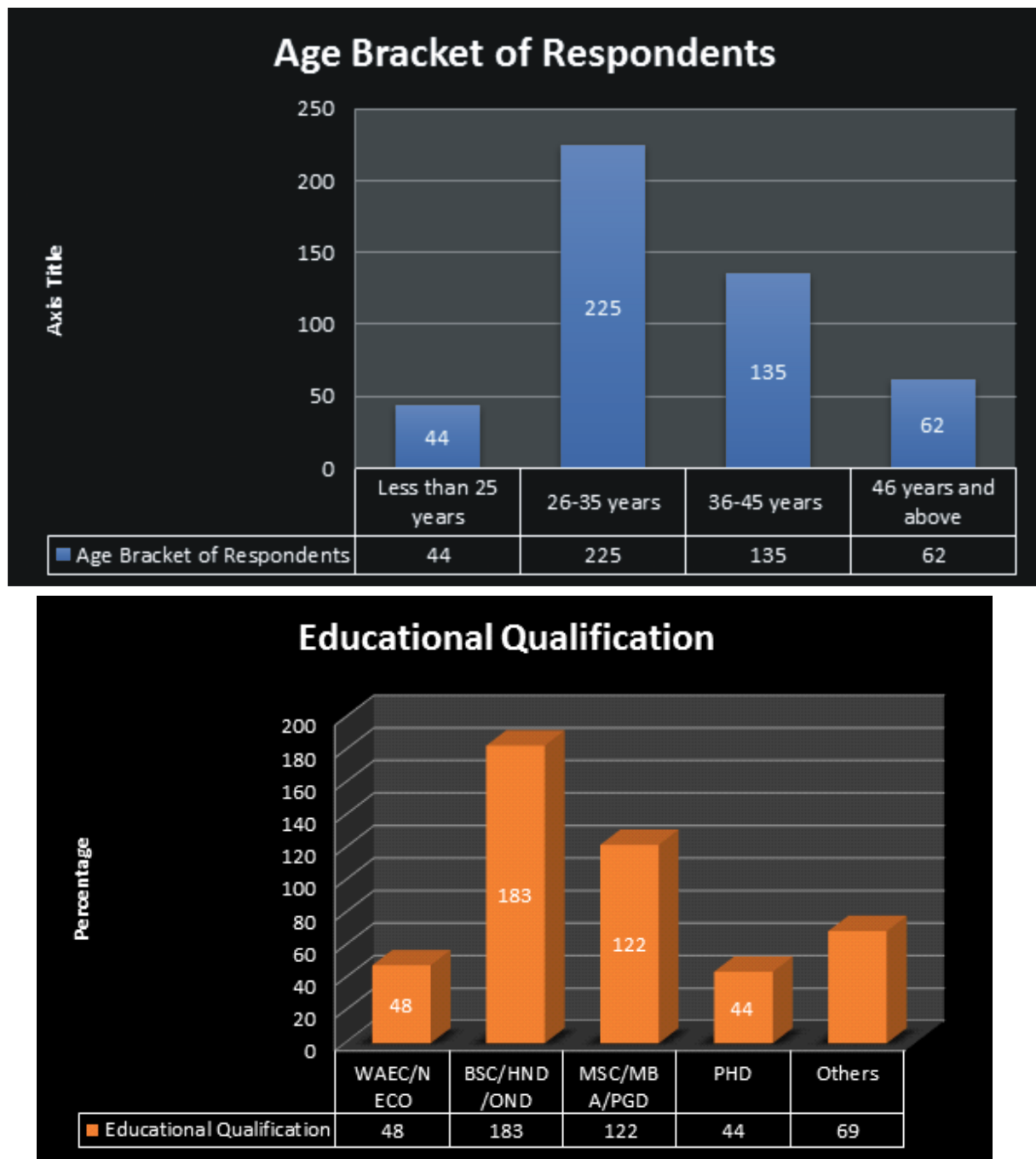


Figure.2: Graphical Presentation of Respondents Educational Qualification

According to table 4 and figure 2, it can be concluded that majority of the respondents with 39.3% (183) BSC/HND/OND holders. Second were MSC/MBA/PGD holders with 26.2% (122) of the total respondents. Third were others qualification (especially, professional certification) with 14.8% (113) of the total respondents, 10.3% (48) of the total respondents were WAEC/NECO holders while 44(14.8%) of the total respondents were PhD holders.

Univariate Analysis of Entrepreneurial Promotion and Growth of SMEs

Table 4: Frequencies on Item of Entrepreneurial Advertising Responses

S/ N	Items	SA (5)	A (4)	N (3)	D (2)	SD (1)	Total	Mean	Remark
1	Entrepreneurial advertising identifies as the most essential elements behind any successful business.	196 42.1% 980	188 40.3% 752	38 8.2% 114	35 7.5% 76	9 1.9% 9	466 100% 1931	4.1	Agree
2	Entrepreneurial advertising opened diverse widows for firm to strive.	239 52.3% 1195	172 36.9% 688	24 5.2% 72	22 4.7% 44	9 1.9% 9	466 100% 2008	4.3	Agree
3	Customers got to know more about through advert.	167 35.8% 835	233 50.0% 932	33 7.1% 99	25 5.4% 50	8 1.7% 8	466 100% 1924	4.1	Agree
4	More revenues were generated after entrepreneurial advertising	244 52.4% 1220	219 47.0% 876	0 0% 0	3 0.6% 6	0 0% 0	466 100% 2102	4.5	Agree
	Total	846	812	95	85	26	1864	4.3	Agree
		4230	3248	285	170	26	7959		

Source: Researcher's Field Survey, 2021

Table 7 showed that the respondents agreed on each of the four items of entrepreneurial advertising (mean scores greater than 3.0 mean criterion). The grand mean is equally greater than 3.0 grand mean. This showed that the overall perception of the SMEs operators about entrepreneurial promotion was high and in-turn affects the growth of SMEs in the nation. It further indicates that entrepreneurial advertising has positive influence on the growth of SMEs.

FINDING, CONCLUSION AND RECOMMENDATION

Finding showed that Entrepreneurial advertising has a positive and significant correlation with growth of SMEs.

The study therefore concludes that, the dimensions of the predictor variable (independent) can effectively be executed significantly when there is increase in the level of small and medium scale enterprises in Enugu.

- i. *The recommendation is that government should invest in enhancing the entrepreneurial promotion level of SME owners through trainings, encouragement to form Cooperatives and incorporating financial literacy issues in formal education; so as to improve the financial performance of the SMEs.* Evidence has showed that advertising will promote the growth of SMEs in Enugu State. SMEs should make sure more formal entrepreneurial advertising should be established in order to leads to a higher growth of SMEs.

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AGRICULTURAL FINANCING AND PRODUCTIVITY NEXUS IN NIGERIA: AN ARDL ANALYSIS

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ABSTRACT

The relationship between agricultural financing and productivity in Nigeria is investigated in this study using the Autoregressive Distributed Lagged (ARDL) bounds test. Annual time series data for bank private sector credit to agriculture, value of agricultural credit guarantee scheme fund, government spending on agriculture and agriculture growth domestic product were used in the analysis. The result indicates the existence of long run relationship between agricultural production and agricultural financing variables in Nigeria. The result of the short run analysis shows that all the variables are significant in influencing agriculture production while, in the long run, bank private sector credit to agriculture and agricultural credit guarantee scheme fund are the only variables that influences agriculture production. However, the result of the granger causality test shows that agricultural credit guarantee scheme fund lead to change in agricultural production while bank private sector credit to agriculture and the government spending on agriculture cannot be use to predict changes in agricultural production. The study recommends that policies should focused on strengthening both bank private sector credit to agriculture and agricultural credit guarantee scheme, while government should check diversion of its budgetary allocation to agriculture through the adoption of new approaches such as direct disbursement of subsidies agricultural inputs to the farmers and ensuring that financing get to the real farmers on time as agricultural production is seasonal, late disbursement will only encourage diversion.

Keywords: Agricultural financing, productivity, ARDL, Bound Test, Granger Causality, Nigeria.

INTRODUCTION

The agricultural sector of any economy, developed or emerging, has unquestionably remained one of the most important sectors, as food is fundamental and basic necessity for human existence (Gurderson, Glory, and la Due, 2003; Oladeji, Ayegbusi and Olowe, 2004). This is more so in developing economies (Rehman et al., 2017; Udoka et al., 2016; Mbowa et al., 2018) like Nigeria where Agricultural sector accounts for over 35 percent of employment of the population, provide

food and fibre for the ever growing population, basis supplier for raw materials for industrialization (and labour input), generate substantial share of the foreign exchange earnings through exports, contributes about 25.2 percent (N10.50 trillion) of Gross Domestic Product (GDP) in 2019, provide a source of market for industrial products, not to mention its contributions to the economy at the numerous stages of its value chain, (CBN, 2019; World Bank, 1998, 2020; Okumadewa, 1997; FAO, 2006).

Despite the sector's critical duties, it is still subject to a variety of restraints (Chatterjee and Oza, 2017). Limited access to financing, particularly borrowing from conventional financial organizations such as banks, is one of the most significant obstacles. Factors that adversely affected farmers' eligibility to accessing bank credit include: farmers' small fragmented land holdings with no verifiable titles, banks credit policies, perceived risk due to its dependence on the vagaries of nature, among others.

The federal government, through the Central Bank of Nigeria, has implemented a number of programs and initiatives to alleviate some of the sector's constraints, the most notable of which is the Agritural Credit Guarantee Scheme Fund (ACGSF), which guarantees credit facilities extended to farmers by banks up to 75 percent of the total amount in default net of any security realized; the Anchor Borrowers' Programme (ABP) established in 2015 to provide farm inputs in cash and kind to small farmers to boost output; the repositioning, recapitalizing and restructuring of the Bank of Agriculture (BOA), the establishment of a N50 billion mechanization fund to facilitate the second phase of Agricultural Equipment Hiring Enterprise (AEHE), etc. (CBN, 2019). This is apart from the annual government budgetary provision to the sector, international donor financing and the microfinance lending to the sector and its value addition which increased recently (CBN, 2020).

All of these initiatives, combined with increased government budgetary allocations to agriculture, CBN interventions, and persuasion of deposit money banks to extend credit to the agricultural sector, have resulted in a significant increase in the deposit money banks' share of total private sector credit to agriculture. This increase notwithstanding, the amount is still deemed to be insufficient as the observed increase in agricultural financing is yet to translate into commensurate increase in agricultural sector/GDP share. The share of agricultural sector as a percentage of GDP has gradually decreased from 26.75 in 2009 to 21.86, 21.19 and 21.96 percent in 2012, 2019 and end of first quarter 2020 respectively. More so, the prices of agricultural products have increase astronomically. In 2019 alone the United States food and agricultural exports to Nigeria reached \$595.5 million - up 93% compared to 2018 (World Bank 2020). All this observed development raises questions as to whether all these initiatives targeted at financing agriculture has really had any impact on agricultural productivity. As a result, a re-examination of the relationship between agricultural funding and agricultural sector output in Nigeria is required.

The main objective of this study is to evaluate the connection between agricultural financing and productivity in Nigeria. Specifically, the paper aimed at examining both the short and long run nexus between agricultural financing and productivity and the nature of the relationship in Nigeria. The remainder of the paper is organized as follows: The literature review is found in Section 2. The data and methodology used in Section 3 are presented. Section 4 summarizes the findings and discusses them, while Section 5 brings the article to a close and makes some crucial policy recommendations.

2. LITERATURE REVIEW

2.1 Conceptual Literature

The Concept of Agricultural Financing

This refers to financial services ranging from short, medium and long-term loans covering the entire **agricultural value chain such as:** leasing, insurance, input supply, production and distribution, wholesaling, processing and marketing of agricultural produce. It is the provision of multiple types of financial services dedicated to supporting **both on-and-off-farm** agricultural activities and businesses.

Agricultural financing in Nigeria, which is in form of debt and non-debt instruments, is mainly sourced from Government funding through series of schemes and programmes like Commercial Agriculture Credit Scheme, Anchor Borrowers' Programme, the Nigerian Incentive-Based Risk Sharing System for Agricultural Lending, etc.; Banks and Financial Institution funding through private sector credits – Grow and Earn More, Micro SME Development Fund, Youth Agricultural Revolution in Nigeria, etc; Development Partners funding like African Development Bank, Food and Agriculture Organization, Department of International Development, etc. and Private investors (CBN, 2019).

The Concept of Agricultural Productivity

Agriculture is concerned with the cultivation of land, raising and rearing of animals for the production of food for human consumption, raw materials for the use of industries and animal feeds (Suberu et al, 2015). It combined the production of crops, forestry, livestock, and fishing. Subsequent to the oil boom era when the Nigerian economy was largely agrarian, the sector played a crucial role over the years contributing over 70 percent of employment, providing over 24 percent of GDP, increasing the supply of food for domestic consumption, provision of wage rate enabling workers to afford standard of living (Onwioduokit, 2013). It was also argued that agricultural development is capable of promoting economic development by raising the supply of food for consumption, raising the supply of domestic savings, capital accumulation and foreign exchange earnings from exports, providing semi-skilled labour force to the industrial sector and increasing the size of the market for

industrial sector good (Anyanwu, et al, 1997). Agriculture is an important component of the Gross Domestic Product of Nigeria, hence, Agricultural ratio of GDP is used as proxy for Agricultural productivity in this study.

2.2 Theoretical Literature

Several theories explain the relationship between credit markets and output growth. While According to Schumpeter (1911), the financial system encourages output growth by allocating savings, encouraging innovation, and funding productive investments. Financial development, according to McKinnon and Shaw (1973), has a favorable impact on output growth. Financial markets, according to Levine (1991) and St. Paul (1992), assist enterprises diversify their portfolios, decrease risks, and drive output growth. Financial markets, according to Jensen and Murphy (1990), drive output growth through changing incentives for corporate control. Agreed with Jensen and Murphy (1990), Demirguc-Kunt and Levine (1996) argued that credit markets positively impact output growth. More specifically, credit market funds are critical in supporting output development by encouraging entrepreneurship specialization and the adoption of new technology (Greenwood & Smith, 1997). Both credit and stock market development, according to Cheng (2012) and Wu, Hou, and Cheng (2010), enhance production growth. All of these theoretical models support the existence of a positive relationship between credit markets and output growth (including agriculture), and so serve as the foundation for our investigation (Sulaimon, 2021). Therefore, the paper is based on these theories underpinning the relative importance of credit market development for output growth in agriculture.

2.3 Empirical Literature

Empirical researches on the nexus between agricultural sector financing and performance have gotten a lot of attention in the literature, especially in developing countries like Nigeria, where the sector is still the largest employer of rural labor, earns a lot of money from exports, and contributes a lot of money to the GDP.

Chisasa and Makina (2015) used annual data spanning from 1970 to 2011 to investigate the dynamic link between bank lending and agricultural productivity in South Africa, utilizing Error Correction Model (ECM) and Granger Causality approaches. The study found a long-term positive association between agricultural credit and agricultural output, but a short-term negative relationship with agricultural output, which reflected the uncertainty surrounding institutional lending in South Africa.

Akudugu (2016) assessed agricultural output, credit and farm size link in Ghana. The study employed hierarchical competitive model and the results indicated that there is positive and significant relationship between credit from formal and informal sources and household agricultural productivity.

Meressa (2017) employed an unbalanced short panel data for sixteen banks from 2010 to 2016 and used a random effects generalized least square (GLS) approaches and used. The results of the research indicated that credit extended by the private commercial bank has no significant impact on agricultural output growth in Ethiopia.

Akinriola and Okunola (2017) evaluated the performance of ACGSF on the growth of agricultural output in Nigeria with data spanning from 1978 to 2014 and employed ARDL (Bounds) test approach to cointegration. The results showed that no long run relationship exist between total volume of loans and agricultural productivity, while there is significant connection between the total numbers of loans and agricultural output. In the short run, no significant relationship between the total volume of loans and output in the current year but there was and significant in the previous four years. Also, negative but significant connection exist between the number of loan beneficiaries and output in the previous 2 and 3 years, but negative and insignificant in the previous year. Nevertheless, connection between the total number of loans disbursed and output in the current year was positive and significant.

Orok and Ayim (2017) investigated the effect of ACGSF on the expansion of different subdivision of agriculture: crops, fishery and livestock in Nigeria and employed data covering the period from 1990 to 2016 with multiple linear regression of OLS technique. The result of the study indicated the existence of a positive and significant relationship between ACGSF and agricultural development, with more impact on the crop when compared with livestock and fishery subdivision.

Using data from 1981 to 2015 and the ARDL model, Oparinde, Amos, and Adeselu (2017) studied the influence of ACGSF on fishery expansion in Nigeria. The study found that the guaranteed value of fisheries loans had considerable but unfavorable short- and long-term effects on fishery development.

Ahmad et al. (2018) investigated the relationship between formal institution credit to agricultural and agricultural GDP in Pakistan. The study employed data covering the period from 1973 to 2014 and used the ARDL bound test model. The study found that there is a positive and significant long run connection between agricultural credit and agricultural. In addition, the procedure for formal credit, which was very lengthy, was identified as the major limitation for farmers' access to formal credit and consequently affect overall agriculture output negatively.

Osabohien, Afolabi and Godwin (2018) investigated the potential of credit extend to agricultural sector (proxied by bank credit to agriculture and ACGSF) on food security in Nigeria employing annual data from 1990 to 2016 and employed the ARDL model. The study found that credit extended by the commercial banks and the ACGSF exhibits a positive and significant relationship with food security. Specifically, bank credit and ACGSF resulted in rise in food security by 8.12 percent and 0.002 percent respectively, whereas population growth decreases food security by 0.001 percent.

Okafor (2020) investigated the influence of deposit money banks credit on the development of agricultural in Nigeria employing data spanning from 1987 to 2019 and employed Ordinary Least Square (OLS) and Granger Causality approaches. Bank credit to agriculture and the ACGSF both have considerable beneficial effects on agricultural output, according to the OLS results. The granger causality result revealed that none of the independent has causal relationship with the agricultural output in Nigeria.

Osabohien et al. (2020) investigated bank credit availability and agricultural output growth in Nigeria using annual data spanning from 1998 to 2018 and employed ARDL model. The result of the study revealed the existence both short run and long run positive and significant connection between agricultural performance and bank's extended credit to agriculture and the agricultural credit guarantee scheme fund (ACGSF).

Orji, Ogbuabor, Anthony-Orji and Alisigwe (2020) studied the causal linkage between agricultural financing (proxied by government's spending agriculture) and agricultural output growth (proxies by annual output of the agricultural sector) in Nigeria using data spanning from 1983 to 2018 and employed Pairwise Granger Causality test. The result indicated that government spending on agricultural does not Granger cause agricultural output growth and vice versa. Hence, no causal linkage between agricultural financing and agricultural output.

Using data spanning 1981 to 2018, Osabohien, Adeleye, and Alwis (2020) examined the influence of agro-financing (proxy with agricultural credit guarantee scheme -ACGSF) on food production in Nigeria using Johansen and Canonical cointegration techniques. The findings revealed that agro-financing had a considerable favorable impact on food production. Eyo et al. (2020) used the OLS technique to study the influence of ACGSF on agricultural productivity in Nigeria. The findings revealed that agricultural output had a significant positive link.

With the Generalized Household Survey (GHS) panel data set and fixed effects estimation, Fowowe (2020) evaluated the influence of financial inclusion on agricultural productivity in Nigeria. Financial inclusion (account ownership and use, borrowing, and saving) has a considerable favorable impact on household agricultural output, according to the research. Similarly, Osabohien et al. (2020) used cross-sectional data and the propensity score matching (PSM) technique to study the influence of household credit access on agricultural productivity in Nigeria. According to the study, households with access to credit have higher yields than households without access to credit.

Florence and Nathan (2020) used quarterly data from 2008Q3 to 2018Q4 to analyze the short and long run impact of commercial bank loan on the growth of agricultural sector in Uganda, using the Autoregressive Distributed Lag Model (ARDL). In the long term, banks' lending has a considerable and positive effect on agricultural production, but in the short run, it has an instantaneous impact. The study discovered that credit granted to farm output production had a greater influence than credit

extended to processing and marketing on the segment of the value chain. The relationship between agricultural sector finance and per capita income has been studied empirically.

Islam (2020) used ARDL techniques to investigate the impact of agricultural credit on agricultural output in Bangladesh, utilizing annual data from 2000 to 2019. The empirical findings revealed the existence of significant and positive association between agricultural loans and agricultural productivity in Bangladesh in both the short and long term.

The impact of bank lending on agricultural performance in Vietnam was investigated by Anh, Gan, and Anh (2020). Quarterly data from 2004:4 to 2016:4 was analyzed using the Indicator Saturation break test, ARDL limits test, and Toda Yamamoto Granger causality test. Bank loans to agriculture, according to the findings, have a positive and considerable impact on agricultural productivity in the short and long term. Moreover, during the study period, there was a one-way relationship between agricultural loans and agricultural productivity.

In the Central African Economic and Monetary Community (CEMAC) region, Ngong, Thaddeus, and Onwumere (2020) explored the relationship between banking sector development and agricultural production. The Panel Autoregressive Distributed Lag Model (PARDL) and the Vector Error Correction Model were utilized in the research, which covered the years 1990 to 2018. (VECM). The findings revealed the existence of a long-term link between banking sector development and agricultural output. Furthermore, there is a bi-directional correlation in the region between the financial sector and agricultural production.

Bahsi and Cetin (2020) investigated the influence of agricultural financing on the value of agricultural output in Turkey. The research used data from spanning 1998 to 2016 and analyzed it employing the Ordinary Least Squares (OLS) approach. Agricultural finance and agricultural productivity, according to the research, have a positive and significant relationship.

Sulaimon (2021) studied the link between ACGSF and agricultural performance in Nigeria using data spanning from 1981 to 2019 and employed a thresholds regression techniques. The empirical result indicated an insignificant U-shaped relationship between agricultural performance (proxied by real agricultural GDP) and ACGSF. The result further showed a positively significant link between ACGSF and real agricultural GDP at ₦1,060,389 (thousand) and ₦5,951,809 (thousand) thresholds.

The forgoing suggests that debate on the relationship between agricultural financing and agricultural productivity in Nigeria is still inconclusive. This paper aims to contribute to the debate. The distinctive features of this study is on the use of recent data, employment of both commercial banks' credit and ACGSF as proxy for agricultural financing as against just one in some studies, and the use of private sector credit to agriculture as against total credit to agriculture which has some element of public sector lending. Hence, this study examines both short run and long run the nexus between agricultural financing and agricultural sector output in Nigeria.

DATA AND METHODOLOGY

The paper used annual time series data for agricultural growth domestic product, bank credit to agriculture, value of agricultural credit guarantee scheme, government spending on agriculture, interest rate and inflation in Nigeria over the period 1981 to 2019. **The data was obtained from the Central Bank of Nigeria Statistical Bulletin (CBN, 2019). Data availability informed the choice of the study period.** The following notations were used: Agricultural gross domestic product (AGDP) is the contribution of agriculture to total real GDP measured in Billions of naira and a proxy for agricultural productivity, Bank credit to agriculture (BCA) is the value of commercial banks' private sector credit to agriculture measured in billions of naira, Agricultural credit guarantee scheme fund (ACGSF) is the value of agricultural loans guaranteed measured in thousands of naira, Government spending on agriculture (GSA) is the federal government budgetary provisions for agriculture, Inflation (INF) is the percentage change in the prices of market basket of goods and services in percentage and interest rate (INT) is the nominal cost of borrowing money adjusted for inflation in percentage. **All the variables were transformed into natural logarithmic form in order to reduce the problem of heteroskedasticity.** The paper examines the relationship between agricultural financing and agricultural productivity in Nigeria. The model considers agricultural productivity as the dependent variable while the agricultural financing variables are used as independent variables. The model can be specified as:

$$AGDP = \beta_0 + \beta_1 LBCA_t + \beta_2 LACGSF_t + \beta_3 LGSA_t + \beta_4 LINF_t + \beta_5 LINT_t + \varepsilon_t \quad (2)$$

The log linear form of the model can be specified as:

$$AGDP = F(BCA, ACGSF, GSA, INF, INT) \quad (1)$$

where *AGDP* is the agriculture growth domestic product, *BCA* is bank credit to agricultural sector, *ACGSF* is agricultural credit guarantee scheme fund, *GSA* is government spending to agriculture, *INF* is inflation and *INT* is the interest rate. First, the order of integration of each time series variables will be examined using both the Augmented Dickey Fuller (ADF) and Phillips-Perron (PP) unit root test. By rejecting the null hypothesis of the unit root test, it implies that the time series variable is non-stationary (i.e. $I(1)$). Second, **the Autoregressive Distributed Lagged bounds testing approach developed by Peseran *et al* (2001) will be used to examine whether there exists a long run relationship between the variables. The long run form of the model can be specified as:**

$$\begin{aligned} \Delta AGDP_t = & \beta_0 + \sum_{i=1}^k \beta_1 \Delta AGDP_{t-i} + \sum_{i=1}^k \beta_2 \Delta BCA_{t-i} + \sum_{i=1}^k \beta_2 \Delta ACGSF_{t-i} + \sum_{i=1}^k \beta_3 \Delta GSA_{t-i} \\ & + \sum_{i=1}^k \beta_4 \Delta INF_{t-i} + \sum_{i=1}^k \beta_5 \Delta INT_{t-i} + \gamma_1 AGDP_{t-i} + \gamma_2 BCA_{t-i} + \gamma_3 ACGSF_{t-i} \\ & + \gamma_4 INF_{t-i} + \gamma_5 INT_{t-i} + \varepsilon_t \end{aligned} \quad (3)$$

where $AGDP$ is the agriculture growth domestic product, BCA is bank credit to agricultural sector, $ACGSF$ is agricultural credit guarantee scheme fund, GSA is government spending to agriculture, INF is inflation and INT is the interest rate.

The parameters β_0 and ε_t represents the intercept and disturbance term respectively.

Equation (3) test the null hypothesis $H_0 = \gamma_1 = \gamma_2 = \gamma_3 = \gamma_4 = 0$ there is no cointegration

relationship between the variables against the alternative of cointegration using the bounds testing procedure. Following the selection of the model's most optimal lag duration, the F-test will be performed to identify the upper and lower limits critical values. We reject the null hypothesis of no cointegration if the F-statistic is bigger than the upper bounds, which is the decision rule of the test.

The conditional ARDL model is estimated using the ordinary least square method (OLS) dictated by a specific information criterion in the second phase when a long run cointegration exists. The short-term association can be estimated using the error correction model. The short run form of the model can be specified as:

$$\begin{aligned} \Delta AGDP_t = & \beta_0 + \sum_{i=1}^k \beta_1 \Delta AGDP_{t-i} + \sum_{i=1}^k \beta_2 \Delta BCA_{t-i} + \sum_{i=1}^k \beta_3 \Delta ACGSF_{t-i} + \sum_{i=1}^k \beta_4 \Delta GSA_{t-i} \\ & + \sum_{i=1}^k \beta_5 \Delta INF_{t-i} + \sum_{i=1}^k \beta_6 \Delta INT_{t-i} + \delta ECT_{t-1} \\ & + \varepsilon_t \end{aligned} \quad (4)$$

where, δ is the coefficient of the error correction term which measure the speed of convergence of the variables to the long run equilibrium and ε_t represent the residual. In theory, the coefficient δ is expected to be statistically significant and negative for short run convergence to take place. Lastly, the Granger causality test will be run to determine whether one variable can improve the forecast performance of the other variable. The model can be specified as:

$$y_t = \alpha_1 + \sum_{i=1}^n \beta_i x_{t-i} + \sum_{j=1}^m \gamma_j y_{t-j} + e_{1t} \quad (5)$$

$$x_t = \alpha_2 + \sum_{i=1}^n \theta_i y_{t-i} + \sum_{j=1}^m \delta_j x_{t-j} + e_{2t} \quad (6)$$

where the lagged values of x_t are significant in explaining y_t , x_t Granger-cause y_t and vice-versa. When lagged x_t and y_t are significant in each other's equation, there is bidirectional causality, while the insignificance of the variables in explaining each other implies no causality among them (they are independent).

RESULTS AND DISCUSSION

4.1 Summary Statistics for the Selected Variables

Table 1 presents the summary statistics for the agricultural financing and productivity variables in Nigeria.

Table 1: Summary Statistics for the Selected Variables

	AGDP	BCA	ACGSF	GSA	INF	INT
Mean	7956.731	134.4574	2969375	17.93219	2.0678	11.73697
Max	17958.58	680.0255	12997004	70.27454	5.2776	28.02000
S.Dev.	5349.728	194.1570	3924842	21.58298	2.1413	5.111762
Skewnes	0.571710	1.483237	1.121369	0.954658	-0.1167	1.349158
Kurtosis	1.783473	3.801235	2.891664	2.628447	1.6669	4.434335
J.Bera	4.529438	15.34315	8.192623	6.148251	2.3658	15.17462
Prob.	0.104	0.000	0.017	0.046	0.306	0.001

Source: Author's computation

The results show that the means and standard deviation are higher for oil revenue. All the variables show negative skewness, implying that they are characterized by a fatter tail than the normal distribution. Kurtosis is less than 3 which means that they are Platykurtic. The Jarque-Bera test reject the null hypothesis at the 5% significant level which implies that all the variables are normally distributed.

4.2 Unit Root Test

Table 2 presents the result of the ADF unit root test conducted with intercept and trend specification. The result indicates that the control variables INF and INT are stationary at levels at 1% level of significance, while other variables are all stationary at first difference which implies that they I (1) process. The ADF results implies that our variables have different order of integration.

Table 2: Augmented Dicky Fuller (ADF) Unit Root Test Results

Variables	Decision	
	Levels	I st Difference
AGDP	-2.007179	-5.823211*
BCA	-2.341579	-7.068642*
ACGSF	-0.973122	-4.332867*
GSA	-2.179616	-6.531926*
INF	-5.124117*	-
INT	-3.282332*	-

Note: The table reports the ADF tests t statistics. *, ** indicates significant at 1% and 5% levels, respectively.

Table 3: Philip Perron (PP) Unit Root Test Results

Variables	Decision		
	Levels	I st Difference	
AGDP	-2.057869	-5.822271*	I(1)
BCA	-2.248460	-8.264840*	I(1)
ACGSF	-0.916431	-4.322641*	I(1)
GSA	-1.942325	-12.24119*	I(1)
INF	-5.127964*	-	I(0)
INT	-3.183964*	-	I(0)

Note: The table reports the PP tests t- statistics. *,** indicates significant at 1% and 5% levels, respectively.

Table 3 presents the result of the PP unit root test conducted to confirm the result of the ADF test and the result reaffirm the ADF results implying that the variables have different order of integration and hence the justification for the employment of ARDL technique.

Short run and Long run Tests

Table 4 present the result of the short run and long run estimates of the ARDL bound test. The ARDL model is estimated with restricted constant using (2, 1, 0, 3, 3) selected based on the Akaike Information Criterion (AIC).

Table 4: ARDL Bounds Test

Null Hypothesis: No long-run relationships exist

Test Statistic	Value	K
F-statistic	7.625661	4
Critical Value Bounds		
Significance	I0 Bound	I1 Bound
10%	2.2	3.09
5%	2.56	3.49
2.5%	2.88	3.87
1%	3.29	4.37

Note: The upper bound critical value at 5% significance level is 3.49 less than F-statistic value of 7.63 Peseran *et al.* (2001).

Source: Author's computations.

The result of the bound test indicates that the value of the F-statistics is 7.62 higher than the upper and lower bounds of 2.56 and 3.49 at 5% significant level, respectively. This implies that there exists a long run cointegration relationship between agricultural GDP and the agricultural financing variables included in the model over the study period. This result suggests that agricultural productivity and the selected variables move together in the long run. The result is consistent with Oparinde, *et al* (2017) and Olowofeso, *et al* (2017).

. Table 5 shows the result of the short run and long run analysis. Because the ECT coefficient is negative and statistically significant at the 5% significance level, the short run analysis verifies the presence of a long run relationship between the variables. The adjustment coefficient is -0.19, indicating that in the current time, around 0.19 percent of the short run disequilibrium mistakes can converge to produce a long run equilibrium connection.

Table 5: Result of the Cointegration and VECM Tests

Short run Form and Coefficients				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(LAGDP(-1))	-0.063495	0.114950	-0.552374	0.5863
D(LAGDP(-2))	0.156111	0.118179	-1.320974	0.2001
D(LBNKCRED)	0.006303	0.033704	-0.187014	0.0534**
D(LACGFS)	0.047855	0.030095	1.590126	0.0261*
D(LGOVSAGR)	0.012315	0.014596	-0.843698	0.4079
D(LGOVSAGR(-1))	0.058640	0.016578	-3.537329	0.0019*
D(LGOVSAGR(-2))	0.081335	0.014634	-5.558133	0.0000*
CointEq(-1)	-0.190058	0.029600	-6.420772	0.0000*
Long Run Coefficients				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
LBNKCRED	0.030633	0.164869	-0.185805	0.0543**
LACGFS	0.178633	0.076049	2.348916	0.0282*
LGOVSAGR	0.139478	0.124570	1.119674	0.2749
LINTR	0.126567	0.229296	0.551982	0.5865
C	6.520955	1.418263	4.597847	0.0001

Note: *, **, *** indicate significant at 1%, 5% and 10% levels, respectively,

The estimates of the short run model show that the coefficient of bank private sector credit to agriculture, agricultural credit guarantee fund scheme and government spending on agriculture are both positive and statistically significant at 5%, 1% and 1% level, respectively. This suggest that bank private sector credit to agriculture, agricultural credit guarantee fund scheme and government spending on agriculture have positive influence on agricultural production in the short run. The result is consistent with Florence and Nathan (2020), Anh, Gan, and Anh (2020) and Ngong, Thaddeus, and Onwumere (2020).

The result of the long run estimate shows that coefficients of bank private sector credit to agriculture and agricultural credit guarantee fund scheme are positive and statistically significant at 5% and 1% level respectively. While government spending on agriculture is positive but insignificant. Over the research period, both short and long term estimates reveal that bank private sector credit to agriculture and the agricultural credit guarantee fund program have had a significant impact on agricultural productivity in Nigeria.

The CUSUM test is then used to ensure that the result is stable. The coefficients are relatively stable, consistent, and consistent, and they lie within the 5 percent level of significance border, indicating that the calculated model is stable (see figure 1).

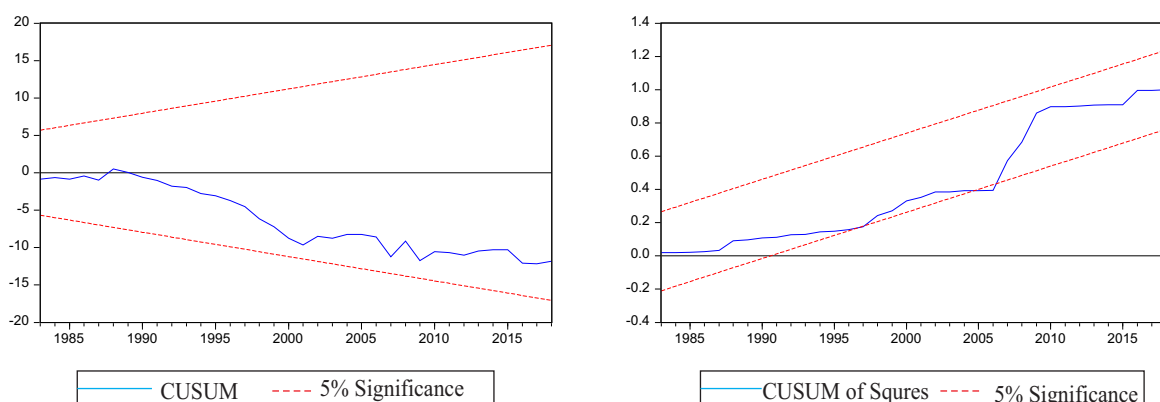


Figure 1. The CUSUM stability test

Causality Test

Table 6. Result of the causality test

H ₀	Chi-sq	Prob
AGDP → ACGFS	0.38430	0.5393
ACGFS → AGDP	5.44355	0.0255

BNKCRED → AGDP	2.82047	0.1020
AGDP → BNKCRED	1.21370	0.2781
GOVSAGR → AGDP	2.24492	0.1430
AGDP → GOVSAGR	1.21044	0.2788
BNKCRED → ACGFS	0.34337	0.5617
ACGFS → BNKCRED	0.48606	0.4903
GOVSAGR → ACGFS	3.18360	0.0831
ACGFS → GOVSAGR	1.07178	0.3076
GOVSAGR → BNKCRED	0.726626	0.394
BNKCRED → GOVSAGR	1.398391	0.237

Note: *, **, *** indicates significant at 1%, 5% and 10% significance levels, respectively.

Table 6 presents the result of the Granger causality test. The result indicates that there is a unidirectional causality relationship running ACGFS to AGDP at the 5% significant level. This implies that changes in agricultural credit guarantee fund scheme can lead to changes in agricultural production and not vice-versa. This suggests that agricultural credit guarantee fund scheme has impact on agricultural production in Nigeria line with Osabohien, et al (2018). The result also indicates that both bank private sector to agriculture and government spending on agriculture does not Granger cause agricultural production and vice-versa. This implies that neither changes in bank private sector to agriculture nor changes in government spending on agriculture nor changes in can be used to predict agricultural production. Furthermore, the result indicates that there is no granger causality relationship between GOVSAGR and BNKCRED and, and also BNKCRED and ACGFS. However, we found that GOVSAGR granger cause ACGFS and BNKCRED granger cause LGOVSAGR at 10% and 5% significant level respectively. The implication is that agricultural production is affected by agricultural credit guarantee fund scheme in the Nigeria over the study period.

CONCLUSION

This paper investigates the relationship between agricultural financing and agricultural productivity in Nigeria using the Autoregressive Distributed Lagged Cointegration Bound test. Annual time series data for agricultural production, bank private sector credit to agriculture, agricultural credit guarantee fund scheme and government spending on agriculture in Nigeria over the period 1981 to 2019. Empirical result shows that there exists a long run cointegration relationship between agricultural productivity and selected agricultural financing variables over the study period. The result also shows that of bank private sector credit to agriculture, agricultural credit guarantees scheme and government spending on agriculture exact significant influence on agricultural production in the short run and while only of bank private sector credit to agriculture and agricultural credit guarantee fund scheme exact influence in the long run. However, the result of the Granger causality test shows that a unidirectional causality running from agricultural credit guarantee fund scheme to agricultural production while of bank private sector credit to agriculture and government spending does not Granger cause agricultural production over the study period. The implication of the findings is that policies should focused on strengthening both bank private sector credit to agriculture and agricultural credit guarantee fund scheme, while government should check diversion of its budgetary allocation to agriculture through the adoption of new approaches in agricultural budgetary allocation. Policy makers should ensure direct disbursement of subsidies agricultural inputs to the farmers directly at ward level to avoid diversion and political influence. Furthermore, there should be measures that will ensure the financing get to the real farmers on time as agricultural production is seasonal, late disbursement will only encourage diversion.

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TEACHERS' QUALIFICATIONS AND TEACHING EXPERIENCE: IMPACT ON QUALITY ASSURANCE IN NIGERIA SECONDARY EDUCATION

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ABSTRACT

The declining of standard of secondary education in Nigeria poses serious challenge to principals, teachers, and students who constitute the primary focus in quality assurance system. A descriptive design research design was adopted for this study where two instruments were developed. The purpose of this study is to find out (a) the effects of gender on the academic achievement of secondary school students in chemistry; (b) the effect of teachers' qualification on the academic achievement of students in secondary school chemistry; and (c) the effects of teachers' teaching experience on the academic achievement of students in secondary schools. Effects of teachers' qualification on academic achievement of students' questionnaire (EQAASQ) for students and effects of teachers' qualification on academic achievement of students' questionnaire (EQAASQ) for teachers. Analysis of variance was used to analyse the data collected. We found no statistically significant difference among all the groups in academic achievement of students in chemistry [$F(5,14) = 2.20; p > .05$], no statistically significant difference in the academic achievement of students in chemistry and teachers' qualification [$F(3,16) = .54; p > .05$] and no statistically significant difference between the male and female students in academic achievement [$t(138) = .50; p > .05$]. The study recommended that the quality assurance unit of the ministry of education at both the federal and state level need to wake up to their duty by going for regular inspection of teachers in order to establish their effectiveness.

Keyword: Academic achievements, Teachers' qualifications, Quality Assurance, Teaching experiences, Professional development.

INTRODUCTION

Experienced teachers are more likely to prefer to be in control in their classrooms than beginning teachers while interacting with students when making decisions. Experienced teachers identify the establishment of classroom management as one of the major goals that needs to be accomplished during their first visit to a particular class. Experienced teachers are believed to have combined years of service and a repertoire of classroom skills and strategies. They typically have the ability to prioritize tasks and to attend selectively to a number of key classroom matters (Hagger & McIntyre, 2000).

The decline in performance among the most experienced teachers is most evident at the high school level, suggesting that this is where such attention should be focused. In cases where more veteran teachers are unable to maintain performance levels with adequate support and professional

development, mechanisms for alternative assignments or even dismissal should be considered. The evidence that the most experienced teachers may not be the most effective should prompt policymakers to reexamine the common practice of determining teacher layoffs.

Another possibility is that teachers in high poverty schools may learn less about how to be effective in those settings, perhaps because of the complexity of the work or because of inadequate professional development opportunities. For instance, evidence suggests that less-experienced teachers, who are overrepresented in high poverty schools, are more likely to be matched with students who have difficulty learning (Goldhaber, Gross & Player, 2007).

The academic achievement of students in science generally is a major concern to science educators and stakeholders and is in need of immediate attention. Adediwura and Tayo (2007) stated in their study that nobody could teach what he does not understand or know. A teacher whose understanding of topic is thorough uses clearer language, their discourse is more connected, and they provide better explanations than those whose background is weaker. The way the students perceive the teaching in terms of their (teachers) knowledge of content of subject matter may significantly affect the students' academic performance.

Ademola (2020) in his study found that students find some topics in the chemistry curriculum more difficult than others. The factors that caused the perceived difficult topics in chemistry curriculum were found to include: insufficient qualified and practical oriented chemistry teachers, non-functional laboratories, teaching methods, non-use of instructional materials, the extensive nature of chemistry syllabus and the nature of examination questions, the abstract nature of chemistry was a major source of learning problems, lack of suitable text books and the very limited access to practical work, attitude of some teachers who failed to motivate students toward developing interest in the subject.

Teachers' teaching qualification is another quality of the teacher. This means that the qualification of a teacher matters when it comes to effective teaching. Darling-Hammond (2000) stated that certificate or licensing status is a measure of teacher qualifications that combines aspects of knowledge about subject matter and about teaching and learning. Adeyemi (2008) revealed that teachers' teaching experience was significant with students' learning outcomes as measured by their performance in the senior secondary school examinations (SSCE). Schools having more teachers with five years and above teaching experience achieved better results than schools having more teachers with less than five years teaching experience.

In Nigeria, the minimum requirement for teaching is Nigeria Certificate in Education (N.C.E.) as stipulated by the Federal Government of Nigeria (National policy on Education, 2004). In most schools, you find a teacher who read mechanical engineering, geology and so on, teaching chemistry. Some are B.Tech or B.Sc holders and this does not certify them as teacher. The reason is because there is shortage of teachers and also high rate of unemployment in the country, this have pushed so many people to go into teaching even when they are aware that they are not qualified to teach.

There is growing interest in the professional development of educators as the demands, expectations, and requirements of teacher education increasingly come under scrutiny (Louhran, 2014). Ayeni (2010) described quality assurance in education as the systematic management, monitoring and evaluation of performance of school administrators, teachers and students against educational goals to ensure consistent documentation, review and decision towards quality improvement in institutional management, and teaching and learning processes for the achievement of set standards in schools.

The declining of standard of secondary education in Nigeria poses serious challenge to principals, teachers, and students who constitute the primary focus in quality assurance system. It therefore assumes that principals the as quality assurance agents in secondary schools need to ensure

qualitative service delivery by continuously monitoring performances of teachers as well as students against educational objectives to ensure best practices in inputs and through-put which lead to quality outputs that will meet the yearnings and aspirations of the larger society (i.e. national and international acceptable standard) (Ayeni & Afolabi, 2012).

Okebukola (2010:3) noted that quality assurance is an umbrella concept for a host of activities that are designed to improve the quality of inputs, process and outputs of higher education system. One of the key building blocks of quality assurance in education is the development of minimum standards as in qualification of teachers, the quality of teaching in institutions, expected educational achievement of students and the development of a more rigorous management process for education so that the entire sector develop stronger operating policies, procedures which are well documented and adhered to (Asiyai, 2013).

The purpose of this study is to find out (a) the effects of gender on the academic achievement of secondary school students in chemistry; (b) the effect of teachers' qualification on the academic achievement of students in secondary school chemistry; and (c) the effects of teachers' teaching experience on the academic achievement of students in secondary schools. The questions which the study sought answers to were:

1. is there any statistically significant difference in the academic achievement of students in chemistry and teachers' teaching experience?
2. will there be a statistically significant difference in the academic achievement of students in chemistry and teachers' academic qualification?
3. is there any statistically significant difference in academic achievement of male and female students in chemistry?

Literature Review

Teachers teaching experience and academic achievement of students

Ewetan & Ewetan (2015) findings shows that teachers' teaching experience has significantly influenced students' academic performance in Mathematics and English Language as measured by their performance in the senior secondary certificate examinations (SSCE) and as perceived by the respondents. Adadu (2017) schools having more teachers with above 10 years teaching experience achieved better results than schools having more teachers with 10 years and below teaching experience. The results indicated that years of experience, as well as the interaction between years of experience and degree level, had an effect on student achievement in both communication arts and mathematics. Better students' results are the main indicator of the experience and effectiveness of teachers (Ewetan & Ewetan (2015). In developing and developed countries, the teacher factor has been linked to low achievement in STEM (Ugo & Akpoghol, 2016).

Nwachuckwu (2012) observed that two categories of science teachers exist in Nigeria schools. The first group are the proper professionally trained teachers and educators who lack in-depth knowledge of the science subject content and the other group are those who have mastery of the subject but are not professionally trained teachers. The implication is that most practising science teachers do not possess adequate training for the job. Science is a dynamic subject; this call for training and retraining of science teachers so as to update and upgrade their knowledge on the job and in the contents of science in order to be able to effectively impact the scientific knowledge on

students. Since no educational system can rise above the level of its teachers (Bamidele & Adekola, 2017).

(Bamidele & Adekola, 2017) found that there was significant difference in the achievement of students taught by high qualification level teachers and those students taught by low qualification level teachers, between students taught by trained teachers and students taught by untrained teachers and between students taught by long time experienced teachers and short time experience teachers. Okebukola (2006) argued that the quality of science teachers (biology inclusive) is a key factor ascribed to the basis of students' constant poor academic performance in examinations. Owolabi (2007) stated that government should find all possible means to retain veteran and experienced teachers who are still willing to serve so that they can contribute their wealth of experience to improving the system.

Avramidis & Kalyva, (2007) found that teachers who had been actively involved in teaching pupils with SEN held significantly more positive attitudes than their counterparts with little or no such experience. The analysis also demonstrated the importance of substantive long-term training in the formation of positive teacher attitudes toward inclusion.

Quality Assurance in Nigeria Secondary Education

Secondary education is the education children receive after primary education and before the tertiary education within the age range of 12 to 18 years. The broad goals are to prepare the individual for useful living within the society and higher education under the context of the 6-3-3-4 system of education. (National policy on education, 2014). For effective teaching and learning at the junior secondary education level, the student-teacher ratio shall be 1:35 while at the senior secondary education level, the student-teacher ratio shall be 1:40 (National policy on education, 2014) but this is not in practice in many government schools and private owned schools.

Ajayi and Ekundayo (2008) opined that quality assurance is a proactive means of ensuring quality in any organization. Quality assurance in education aims at preventing quality problems and ensures that the products of the system conform to the expected standards. Enaohwo (2003) in Ajayi and Ekundayo (2008) submitted that the concept of quality assurance in the education system can be looked at from two angles, viz: the internal perspective (within the system) and the external measures (checks and balances by the regulatory agencies).

Supervision is a key element in quality assurance and the purpose of supervision is not to find fault or to punish, but rather to work cooperatively with the teachers. Supervision as the element of the administrative process is concerned with efforts to guide the day-to-day activities of the work group by stimulating, directing and coordinating the workers and their efforts, cultivating good working personal relationships so that they all work towards a more efficient achievement of the task goal. The delay in the payment of teachers' salaries and drastic reduction in salaries especially in private schools are dampening enthusiasm of chemistry teachers to go out of their way to innovate and improve their use of virtual delivery mechanisms. In sum, while the ongoing efforts at online delivery show a slow improvement, they are still severely short of the expected resources for a practical subject like chemistry (Okebukola, Suwadu, Oladejo, Nyandwi, Ademola, Okorie, & Awaah, 2020).

Akinwumiju and Agabi (2008) highlighting the functional similarities states that supervision and inspection are administrative functions directed towards the efficient achievement of organizational goals. Their central purpose is to enhance productivity and both constitute tools for educational

coordination. But the authors still find differences, thus: the words “supervision” and “inspection” are often used to mean the same but they are two different concepts in terms of job content and scope. Okebukola, Oladejo, Onowugbeda, Awaah, Ademola, Odekeye, Adewusi, Olasunkanmi, Agbanimu, Peter, Ebisin, Onyewuchi and Ajayi (2020) recommended that, the inspectorate or quality assurance entities at the state and national level should enforce that owners of schools (public and private) should provide basic safety tools, including first-aid kits, safety charts, fire buckets, and extinguishers in schools. Suspension of the license to offer students for chemistry examination should be a penalty for breach and noncompliance.

Methodology

A simple random sampling technique and a descriptive research design was adopted for this study where two instruments were developed: **Effects of Teachers' Qualification on Academic Achievement of Students Questionnaire (EQAASQ) for students** and **Effects of Teachers' Qualification on Academic Achievement of Students Questionnaire (EQAASQ) for teachers**.

Participants

The teachers and students involved in this study are from government and private secondary schools in Lagos state. This study comprised of four secondary school teachers and students in Lagos State (one federal government school, two state government schools and one private-owned school). There are 140 students and twenty 20 teachers selected from the four schools in this study. The participants include 30% male teachers and 70% female teachers where 5% had 1-2 years teaching experience, 20% had 3-5 years teaching experience, 15% had 6-10 years teaching experience, 10% had 11- 15 years and 16-20 years teaching experience while respectively 15% falls within 40% had Above 20 years teaching experience. Majority of the teachers were above 45 years, 15% of the teachers falls within the age group of 26-30, 10% falls within the age groups of 31-35 and 36-40 respectively and 30% falls within 41-45 years. Based on qualification, 40% of the teachers in this study were B.Sc (Ed) holders, 15% were HND/B.Sc and HND/B.Sc with PGDE respectively while 30% were M.Ed holders.

These participants also include 52% female and 48% male students in which 8% of the students falls within the age group of 11-13, 81% of the students fall within the age group of 14-16 while 11% falls within the age group of 17-19. Majority of the students (17.2%) scored 50-54, 16.4% of the students score 60-64 and 64-69 respectively while 2.1% of the student scored 85-89 which is the highest score.

Table 1: Distribution of teachers based on Teachers teaching experience

Teachers teaching experience	Frequency	%
1-2 years	1	5.0
3-5 years	4	20.0
6-10 years	3	15.0
11- 15 years	2	10.0
16-20 years	2	10.0
Above 20 years	8	40.0
Total	20	100.0

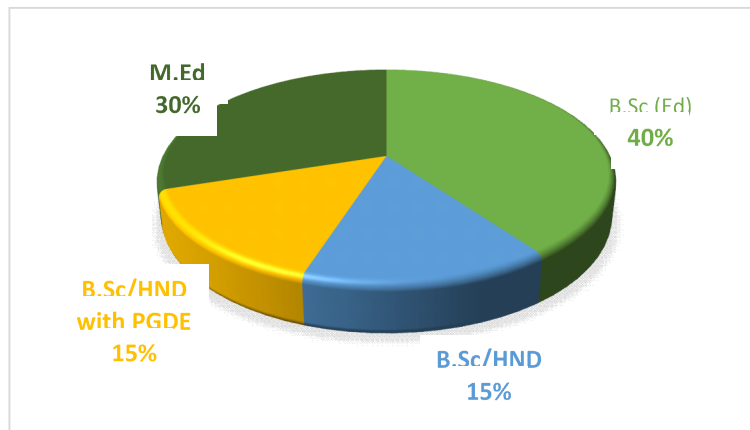


Fig 1: Distribution of teachers based on qualification

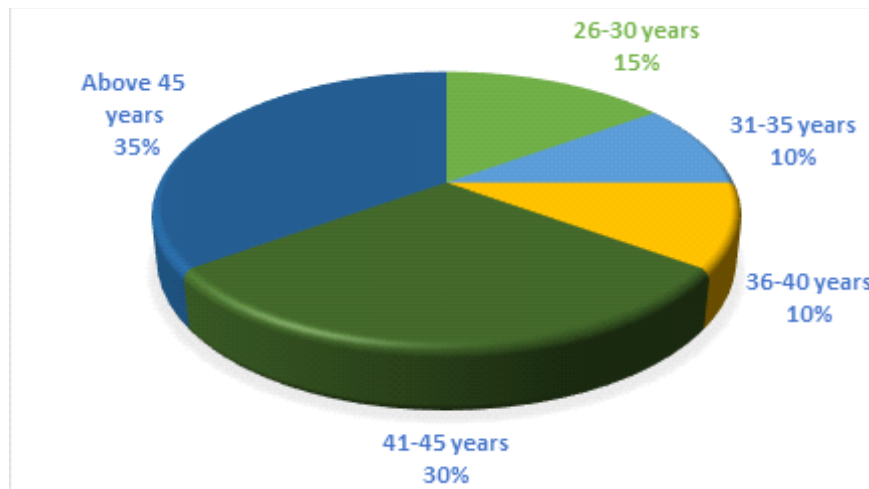


Fig 2: Distribution of teachers by age

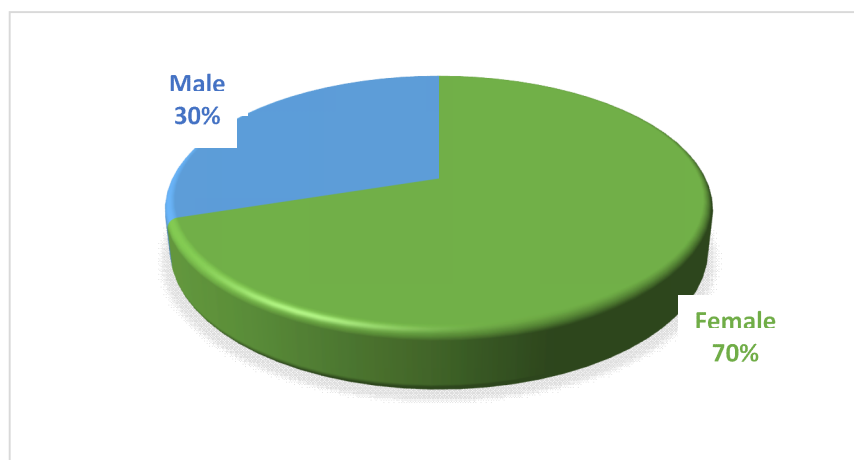


Fig 3: Distribution of teachers by gender

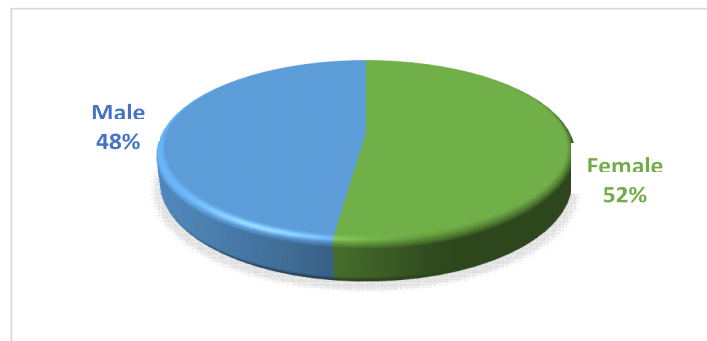


Fig 5: Distribution of students by gender

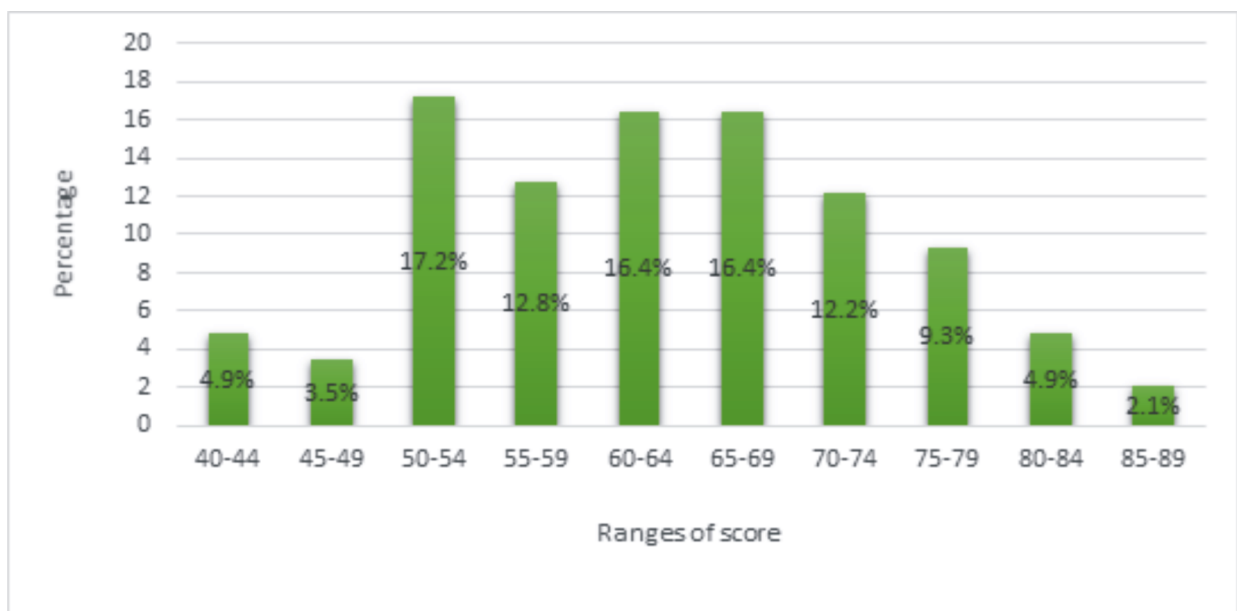


Fig 6: Distribution of students by Score

Instrumentation and data collection

A questionnaire titled “**Effects of Teachers' Qualification on Academic Achievement of Students Questionnaire (EQAASQ)**”. This instrument is in two forms; one for the students and the other one for the teachers. The students' questionnaire had two sections. Section A consisted of six items which is used to collect the demographic data and section B consisted of four items. The teachers' questionnaire consisted of 10 items. In order to ensure the instrument is reliable, a test re-test was carried out. The instruments were administered twice at two weeks interval and reliability coefficient of 0.89 was obtained.

Procedure

After permission from school authorities had been granted to conduct the study (principals of public schools and in some cases of private schools, the proprietor) the researcher team ensured a friendly atmosphere wherein the respondents felt relaxed and ready to participate (this was achieved with the help of the school chemistry teacher in some cases particularly in public schools). Information which was not readily available to the respondents (such as teacher's qualification and years of experience) were provided on a general note.

Data analysis and findings

Data generated from the questionnaire were analyzed using IBM-SPSS Version 23. The response scales were dummy coded and labeled. For each of the hypotheses, the test of significance was carried out at 0.05 level of significance. The presentation is based on the three null hypotheses generated from the three research questions guiding the study.

Research question 1

is there be a statistically significant difference in the academic achievement of students in chemistry and teachers' teaching experience?

The research question was answered via anova since teachers' teaching experience has six categories which represent six groups. Teachers' teaching experience served as independent variable while academic achievement of students served as the dependent variable.

Table 2: Means and Standard Deviation of Students Score by Teachers Teaching experience

Table 2: Means and Standard Deviation of Students Score by Teachers Teaching experience

Group	N	Mean	Std. Deviation
1-2 years	1	88.00	-
3-5 years	4	79.00	7.07
6-10 years	3	54.33	7.10
11- 15 years	2	59.50	26.16
16-20 years	2	78.50	3.54
Above 20 years	8	59.75	16.68
Total	20	66.05	16.50

Table 3: Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
4.37	4	14	.02

Table 4: Anova Summary Table of Students Score by Teachers Teaching experience

Group	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2277.78	5	455.56	2.20	.11
Within Groups	2895.17	14	206.80		
Total	5172.95	19			

Levene's test for equality of variances was found significant ($p < .05$) which means that the variances of the groups were different from each other. However, test for normality of population were conducted and found not significant. For Levene's test to be significant and for test for normality of population not to be significant means that the data passed one of the parametric assumption tests and so we can go further to conduct a parametric test. The result obtained from the anova shows that there is no statistically significant difference among all the groups in academic achievement of students in chemistry [$F(5,14) = 2.20$; $p > .05$]. The null hypothesis which states that there will be no statistically significant difference in the academic achievement of students in chemistry and teachers' teaching experience is hereby not rejected.

Research question 2

Is there any statistically significant difference in the academic achievement of students in chemistry and teachers' academic qualification?

The research question was answered via anova since teachers' academic qualification has four categories which represent four groups. Teachers' academic qualification served as independent variable while academic achievement of students served as the dependent variable.

Table 5: Means and Standard Deviation of Students Score by Teachers Qualification

Group	N	Mean	Std. Deviation
B.Sc (Ed)	8	63.75	17.37
HND/B.Sc	3	77.00	13.45
HND/B.Sc + PGDE	3	61.00	14.11
M.Ed	6	66.17	19.09
Total	20	66.05	16.50

Table 6: Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
.71	3	16	.56

Table 7: Anova Summary Table of Students Score by Teachers Qualification

Group	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	478.62	3	159.54	.54	.66
Within Groups	4694.33	16	293.40		
Total	5172.95	19			

Levene's test for equality of variances was found not significant ($p > .05$) which means that the variances of the groups were not different from each other. For Levene's test not to be significant means that the data passed one of the parametric assumption tests and so we can go further to conduct a parametric test. The result obtained from the anova shows that there is no statistically significant difference among all the groups in academic achievement of students in chemistry [$F(3,16) = .54$; $p > .05$]. The null hypothesis which states that there will be no statistically significant

difference in the academic achievement of students in chemistry and teachers' academic qualification is hereby not rejected.

Research question 3

Is there any statistically significant difference in academic achievement of male and female students in chemistry?

This question was answered via t-test since there two groups of students (Male and Female). Students gender served as independent variable while students' scores served as the dependent variable.

Table 8: Mean, Standard deviation and t-test comparing academic achievement of male and female students in chemistry

Group	Levene's Test for Equality of Variances		t-test for Equality of Means				
	F	Sig.	N	Mean	SD	T	p (sig level)
Male	2.01	.16	67	62.36	11.83	.50	.62(ns)
Female			73	63.27	9.90		

Levene's test for equality of variances was found not significant ($p > .05$) which means that the variances of the groups are is not different from each other. For Levene's test not to be significant means that the data passed one of the parametric assumption tests and so we can go further to conduct a parametric test. The result obtained from the t-test shows that there is no statistically significant difference between the male and female students in academic achievement [$t(138) = .50$; $p > .05$]. The null hypothesis which states that there will be no statistically significant difference in academic achievement of male and female students in chemistry is hereby not rejected.

Discussions of Results

From the findings of research question 1, which sought to find out if there is statistically significant difference in the academic achievement of students in chemistry and teachers' teaching experience. We found that there is no statistically significant difference among all the groups in academic achievement of students in chemistry [$F(5,14) = 2.20$; $p > .05$]. This result implies that teachers' years of teaching experience without having the deepest depth of subject content knowledge and professional knowledge does not have any impact on student's academic achievement. For a teacher with long years of teaching experience to make a significant impact in the academic achievement such teacher must have attending in-service training regularly.

However, many of the research that have been conducted on effect of teaching experience and academic performance reported significance difference between the teaching experience and academic performance. Adeyemi (2008) revealed that teachers' teaching experience was significant with students' learning outcomes as measured by their performance in the senior secondary school examinations (SSCE). Ewetan & Ewetan (2015) findings shows that teachers' teaching experience has significantly influenced students' academic performance in Mathematics and English Language as measured by their performance in the senior secondary certificate examinations (SSCE) and as perceived by the respondents.

Table 7 report the findings of research question 2 which sought to find out if there is statistically significant difference in the academic achievement of students in chemistry and teachers' academic qualification. It shows that there is statistically significant difference in the academic achievement of students in chemistry and teachers' qualification [$F(3,16) = .54$; $p > .05$]. It was observed that qualification whether B.Sc (Ed), B.Sc/HND or B.Sc/HND with PGDE does not have effect on the academic performance of the students. What matter is that the content knowledge the teacher has combine with his/her qualification that will have a significant impact the academic achievement of the student.

The result of this findings agrees with Adewumi (2000); Adegbile and Adeyemi (2008); Izumi and Evers (2002); Musau and Abere (2015) in their various studies found no significant relationship between students' academic performance and teachers' qualification. Contrary to this findings, Ahiauzu and Princewell (2011); Edu and Kalu (2012) found significant difference in performance of students taught by B.Sc holder without teaching qualification and B.Sc. Ed. teachers with teaching qualification.

Research question 3 sought to find out if there is any statistically significant difference in academic achievement of male and female students in chemistry. Finding shows that there is no statistically significant difference between the male and female students in academic achievement [$t(138) = .50$; $p > .05$]. This is so because of so many factors. In the past, male is known to always perform better academically than female. Also, very few female students studied science. In the world of today, both male and female are seen learning science with serious competition for supremacy between the two genders in the class. This finding is in line with Dania (2014), Olayinka (2016), Oludipe (2012) and Nasir & Masrur (2010) who in their various studies found no significant difference in academic achievement of male and female students.

In contradiction to this finding; Filgona & Sababa (2017) revealed that Female students exposed to learning Geography through Mastery Learning Strategy performed better than their Male counterparts. Also, JMt, Mitra, Hasmiza, Pim, LOr, & WM'WM (2011) found that girls performed better academically than boys in rural Malaysia in their study.

Summary, Conclusion and Recommendations

This study shows that, there is no statistically significant difference among all the groups in academic achievement of students in chemistry [$F(5,14) = 2.20$; $p > .05$]. It was also observed that there is no statistically significant difference in the academic achievement of students in chemistry and teachers' qualification [$F(3,16) = .54$; $p > .05$]. from the research question 3 we found that there is no statistically significant difference between the male and female students in academic achievement [$t(138) = .50$; $p > .05$].

The study found that years of teaching experience and teachers' academic qualification with lack of deep content knowledge by the teacher will not have a significant difference in the academic achievement of students. It is always a believe that the longer the year of teaching experience the better for the better its impact on the academic achievement of the student. Rather it was found that many experienced teachers have failed to upgrade themselves and have also lost the content knowledge along the line. The result of this study implies that a fresh graduate teacher or teacher with short year of teaching experience will perform equally with teachers who have been on the field for many years. To retain the quality of our secondary education, the quality assurance team from the ministry of education need to maintain regular supervision of teachers

We therefore offer the following recommendations based on the findings of this study:

- The quality assurance unit of the ministry of education at both the federal and state level need to wake up to their duty by going for regular inspection of teachers in order to establish their effectiveness.

- Government should maintain regular in-service training for the teachers which will allow for the renewal of knowledge and can be transferred to the classroom. This will serve as a refresher course for teachers with long years of teaching experience.

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EFFECT OF COMPETITIVE ADVANTAGE ON SOCIAL AND ENVIRONMENTAL DISCLOSURE QUALITY OF LISTED ENVIRONMENTALLY-SENSITIVE FIRMS IN NIGERIA

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ABSTRACT

Researchers have explored social and environmental disclosure without consensus on the factors that affect its disclosure. Hence, this paper concentrated on voluntary disclosure of social and environmental information as it enhances competitive advantage of listed firms operating in Nigeria. Data was gathered from published reports of 43 environmental sensitive firms quoted on the floor of the Nigerian Stock Exchange for trading as at 2019. The data was collected for a period of 7 years (2012-2018). Global Reporting Initiative index was deployed in measuring the degree of Social and environmental information disclosed while competitive strategy, advertisement intensity, company image were deployed as proxies for competitive advantage and capital intensity as control variable. After post estimation tests, the study deployed generalized least square to test for regression towards establishing the relationship that exists between the variables. The study concludes that positive and significant relationship exists between competitive strategy, company image and the quality of social and environmental disclosures. However, the relationship between advertisement intensity and quality of social environmental disclosures was found to be positive but insignificant. Therefore, the study recommends that investors should be more conscious of firm's competitive ability while making prospective investment decision. Also listed firms could enhance their profitability and gain competitive edge by embracing voluntary disclosure of their commitment to social and environmental activities.

Keywords: Competitive Advantage, Disclosure, Environmentally-sensitive.

INTRODUCTION

There has been varying level at which firms disclose information regarding Social and environmental impact depending on how sensitive the sector in which the firms operates, such disclosure in Nigeria is however still at the discretion of the reporting firms. In addition to financial details, the guidelines to ensure compliance for reporting and assessing social and environmental performance is still at the adoption phase in Nigeria. Firms that comply with the disclosure of social and environmental information however do that to attract more stakeholders and strengthen their competitive edge towards achieving their primary objectives to their stakeholders. emphasized that information regarding firm's social and environmental practices may be beneficial to the firm's

reputation and by extension help to improve the firm's financial performance and attaining competitive edge against firms operating in similar industry especially now that firms have expanded their objectives from maximizing shareholders' wealth to enhancing stakeholders' value through firms sustainability.

concluded that environmentally sensitive firms are such in the Agriculture, Construction, Healthcare, Industrial goods, Natural resources and Oil and gas sector, which impact more on the environment through effluents and emissions negatively. Towards expanding the domain of this study, the consumer goods sector was added to the list of environmental sensitive sectors as it was observed from the study of that majority of factors that constitute major environmental issues like air pollution, waste disposal, natural resource depletion, water pollution and Carbon monoxide emissions are mostly from wastes from consumable sectors and this is similar to what is obtainable in Nigeria. All these sectors considered have significantly higher direct environmental impact which makes them to be considered in many studies as environmentally-sensitive firms . They are also considered to be highly socially sensitive considering the level of their social foot prints and economic performance which attracted stakeholders to their operations.

Innovations, technological development, information technology amongst others have made modern day business to be highly competitive, diversification of products processes and customers constitute significant overhead costs which are not easily assignable to individual products. Prior to 1970s, there was no much competition of foreign firms against local ones (. Many firms in most part of the world before 1980s were either government owned, monopolized or protected by highly regulated non-competitive environmental policies (. However, in recent times, there has been increasing massive local and international competition due to availability of global networks and the adoption of a unique financial reporting framework, International Financial Reporting Standard-IFRS which allows for comparison of financial performance. Prospective investors cut across the globe and sophisticated customers now quest for innovations which are mostly communicated via the integration of Social and Environmental report in published financial statements. Against this, the study intends to assess the effect of competitive advantage on social and environmental disclosure quality of environmentally-sensitive firms. Also, as regards time variant, the study intends to move a step ahead to include recent years by extending the time coverage up till 2018. Owing to the intent of this study, the overall objective is to determine Effect of Competitive Advantage on Social and Environmental Disclosure Quality. The specific objectives include to;

- i. examine the impact of competitive strategy on social and environmental disclosure quality.
- ii. ascertain the effect of advertisement intensity on social and environmental disclosure quality.
- iii. determine the extent to which company image influences the quality of social and environmental disclosures.

1.1 Statement of Hypotheses

Towards achieving stated objectives, the following hypotheses are formulated:

- H₀₁:** Competitive strategy has no significant effect on social and environmental disclosure quality.
- H₀₂:** Advertisement intensity has no significant effect on social and environmental disclosure quality.
- H₀₃:** Company image has no significant effect on social and environmental disclosure quality

2. Literature review

2.1 *The concept of Environmental Disclosure*

The classification of disclosure of accounting information as mandatory or voluntary depends on the requirements of the country in which the reporting entity is located. In Nigeria, according to Nigerian Stock Exchange (NSE), disclosure of social and environmental information is considered as a voluntary requirement (. However, the stock markets in the United States of America (USA), Denmark, Netherlands, France, Sweden and South Africa requires that annual reports of companies should include details of their commitment towards environmental and social development . Many scholars in accounting discipline have carried out studies mostly on social and environmental reporting in most sectors as regards performance , factors that enhances the disclosure quality of social and environmental activities with scanty evidence on if firms could generate competitive advantage through the quality of social and environmental information disclosed.

2.2 *Competitive strategy and social and environmental disclosure*

Competitive strategy is the process whereby a firm gains a material edge over its competitors that could result into profits above average, or increased level of customers' loyalty with the aim of creating value addition and improvement of operations . stated that firms could deploy the disclosure of ecological issues regarding energy, natural resources, pollution and waste to achieve competitive opportunities. explored how variables measuring firms competitive advantage influences firms profitability persistence and resolved in his findings that competitive strategy is significant to firm's sustainable development. High profits can be sustained if firms have competitive edge. This could be assessed in practice by superior long term performance obtainable from financial ratios . It is expected that a firm operating in today's modern business economy will however tend to disclose more than financial operations towards attracting interest of prospective stakeholders both home and abroad. Therefore, competitive strategy is measured using accounting-based variables as the proportion of net fixed asset to gross fixed asset .

The business world has become more dynamic that the advent of technology made it a global village where advancement in technology has now made fierce competition amongst firms operating in same industry the order of the day. Therefore, in order to be relevant in today's business world, firms

need to be versatile and move with the trend of coming up with competitive strategy. Thus, the voluntary disclosure of some of the firm's social and environmental commitment could be materialistic towards achieving competitive edge.

2.3 Advertisement intensity and social and environmental disclosure

adopted advertisement intensity as one of the proxies in measuring discretionary expenditure and it was revealed that disclosure of investment in advertisement is not capable of generating competitive advantage for listed firms in the long run. also examined whether the firms charitable giving relates to firm advertisement intensity. Result from the study shows that advertisement intensity is positively associated to firm's ability of gaining competitive advantage on firms operating in similar industry. In the same vein, finds advertisement intensity to significantly influence firms profitability. Advertisement intensity is measured as the proportion of advertisement expenditure to net sales. This constitutes one of the accounting ratio that a prospective investor or stakeholder that is keen about the going concern ability of the firm in today's competitive business environment could deploy in assessing the ability of a firm to sustain competitive edge over firms operating in similar sector.

2.4 Company image and social and environmental disclosure

investigated the relationship between corporate competitive strategy and environmental disclosure in the voluntary channel with concentration on chemical industries. Findings from the study show that firms disclose more details as regards commitment to social and environmental activities in order to boost their image. delved into how firms could gain competitive advantage through discretionary expenditures with focus on research and development. Their result revealed substantial lower stock market returns. This indicated that investment in research and development does not generate a long run competitive advantage. The study of also indicated that the disclosure of expenses on research and development significantly influence firms profitability. made it known from the findings of their study that firms that are committed to investment on research and development tend to provide more information as regards their commitment to research once their environmental performance is considered to be good. measured company's image as the proportion of research and development expenditure to net sales and found out that firms that have invested heavily in research and development over a long time would gain competitive edge over similar firms operating in same industry and the resulting effect will reflect on its net sales. As a move towards achieving competitive advantage, voluntary disclosure of firms' commitment to research and development will go a long way in portraying the competitive strength of the firm to prospective investors.

2.5 Theoretical framework

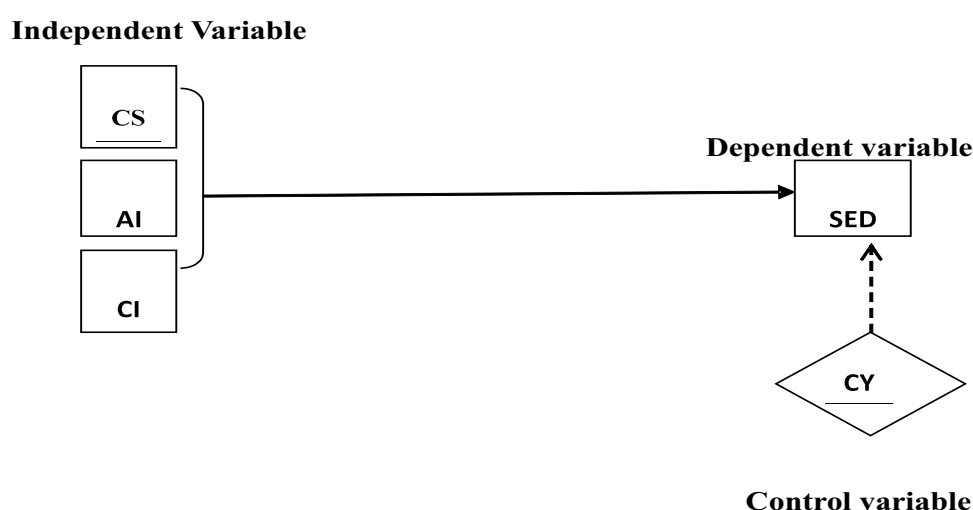
The study is anchored based on legitimacy theory. Firms disclose their commitment to social and environmental activities as a result of two major factors: because they assume that fruitful relations with stakeholders will boost an increase in financial return and because of the need to adapt to stakeholders' norms and expectations, which constitute a legitimacy instrument to such norms and expectations. This theory explains how firms can thrive in a competitive business world. In the analytical frame work presented, competitive advantage will be seen through three different lenses,

the competitive strategy; advertisement intensity and company's image differentiating performance of a reporting firm from that of other firms operating in same industry as well as legitimizing firms position with the stakeholders and the environment in which it operates.

2.6 Conceptual framework

Figure 1 shows the link between proxies for measuring competitive advantage on social and environmental disclosure (SED). The study analysed the effect of competitive strategy (CS) on SED (Hypothesis 1). In addition, the study analysed the effect of advertisement intensity (AI) on SED (Hypothesis 2). Finally, the effect of company image (CI) on SED was evaluated (Hypothesis 3). Capital intensity (CY) was used as control variable.

Figure 1: Competitive advantage and Social and environmental disclosure



Source: Researchers conceptualization (2020)

Methodology

The study focused on the Seventy four (74) listed environmentally sensitive firms by NSE. This represents population for the study. This includes firms operating within the agriculture, construction, healthcare, industrial goods, oil and gas, natural resources and consumer goods sectors. However, some firms were filtered out due to non-availability of annual reports as at the period of the study; this resulted into the adoption of adjusted population of forty three (43) firms. Data were generated from published reports of these firms. Data collected covered a period of seven (7) years, from 2012 to 2018 bearing in mind the period of compliance with International Financial Reporting Standards (IFRS) regulations. Hence, number of observations was three hundred and one (301). Generalized least square was found appropriate in estimating the regression for this study, modified wald test for group wise heteroskedasticity and multicollinearity test was satisfied.

3.1 Model specification

Based on the framework of the study the model is presented as:

$$SED_{it} = f(CS_{it}, AI_{it}, CI_{it}, CY_{it})$$

$$SED_{it} = \beta_0 + \beta_1 CS_{it} + \beta_2 AI_{it} + \beta_3 CI_{it} + \beta_4 CY_{it} + \varepsilon_{it}$$

Where;

SED = Social and Environmental Disclosure

CS = Competitive strategy

AI = Advertisement intensity

CI = Company image

CY = Capital intensity and

ε denotes the error term for variables not captured in the model.

Measurement items for SED were adopted using Global Reporting Initiative framework as deployed by prior studies (Maury, 2017; Odoemelam & Okafor, 2018; Ofoegbu & Odoemelam, 2018). The social aspect focused on ten (10) operational measures and the environmental subgroup also focused on ten (10) operational measures and this gives a total of twenty (20) operational measures. For all operational measures reported, a score of “1” was assigned and those not reported, “0” was also assigned. This conformed with methodology deployed in related annual report disclosure studies (Lipunga, 2015; Oboh, 2018; Okaro & Okafor, 2016; Udofia, 2019). The score for each of the years (2012 – 2018) was then obtained and the weighted average was computed to obtain one score for the variable (Table 3.1 & Table 3.2).

Table 3.1: Global Reporting Initiative- Based Scoring Checklist “A”

Social Responsibility Disclosure	
1	Safety arrangements
2	Health arrangements
3	Training arrangements
4	No of employees
5	Donations made to community or community involvement
6	Labour Rights
7	Pension Schemes
8	Policies on company’s remuneration packages
9	Welfare programmes for staff
10	Sponsoring education and scholarship for student

Source: Adopted from Odoemelam and Okafor (2018)

Table 3.2: Global Reporting Initiative- Based Scoring Checklist “B”

Environmental Accounting Disclosure	
1	Environmental accounting policy/strategy and principles
2	Environmental accounting objectives for the period
3	Extensive discussion on environmental accounting
4	Environmental Financial Disclosure
5	Environmental Performance Indicators
6	Contribution in the environmental protection program
7	Conservation of natural resources
8	Using equipment which protects the environment
9	Research and development for the environment
10	Energy serving devices

Source: Adopted from Odoemelam and Okafor (2018)

3.2 Measurement of the independent variable

The study adopts three variables for assessing the extent of competitive edge a firm has gained via the discretionary disclosure of social and environmental information. Financial ratios were deployed in describing and measuring the adopted variables as used by previous researchers (Table 3.2). Data used in computation of the independent variables were obtained from firms annual reports on NSE. Capital intensity was added as control variable in order to control the relationship between the independent variables and the dependent variable.

Table 3.3: Operational measurement of independent variables

Sn	Variables	Measurement	Authors
1	SED	<i>GRI Index</i>	Maury (2017) , Odoemelam and Okafor (2018) Ofoegbu and Odoemelam (2018) , Onipe (2018)
2	CS	$\frac{\text{Net Fixed Asset}}{\text{Gross Fixed Asset}}$	Dickinson and Sommers (2011) , Greenwald and Kahn (2005), Maury (2017)
3	AI	$\frac{\text{Advert Expenditure}}{\text{Net Sales}}$	Baginski et al., (1999); Greenwald & Kahn, (2005); Krasnikov et al., (2009); Maury, (2017)
4	CI	$\frac{\text{Research and Development}}{\text{Net Sales}}$	Cheng (2005), Maury (2017)
5	CY	$\frac{\text{Depreciation}}{\text{Net Asset}}$	Cheng (2005), Haladu (2016), Lev (1983), Maury (2017), Porter (1980)

Source: Researchers compilation (2020)

4. Results and discussion

4.1 Descriptive Analysis

Data collected in the course of carrying out the study are presented and discussed. The hypotheses were tested to institute the effect of competitive advantage on quality of SED.

Table 4.1: Descriptive Statistics

Variable	Obs	Mean	Std.Dev.	Min	Max
SED	301	.712	.198	.05	.95
CS	301	.915	.107	.168	1
AI	301	.205	.805	0	7.92
CI	301	.058	.329	0	4.794
CY	301	.14	.462	0	4.954

Source: Author's computations generated with STATA 13 Software (2020)

Tables 4.1 elucidate the descriptive statistics for explanatory and explained variables for this study. The extent of average social and environmental disclosure of the sample firms is 71.2% with a minimum and maximum of 5.0% and 95.0% respectively. The results also, reveal that standard deviation of 0.198 (19.8%) indicates low variability across the sampled firms.

As indicated, the average of competitive strategy (net fixed asset to gross fixed asset) is 91.5%, with the standard deviation of 0.198. This suggests that competitive strategy across the sampled sensitive firms is not widely dispersed as it is statistically proven by standard deviation of 19.8%. The minimum value 16.8% of net fixed asset to gross fixed asset can be traced to Dangote Cement Plc in year 2013. However, the highest percentage of 100%, which shows zero variance between net fixed asset and gross fixed asset; this can be traced to Aluminum extrusion from year 2012 to 2014.

The average of advertisement intensity (AI) measured as advertisement expenditure to net sales is 0.21 approximately. The standard deviation is 0.805, suggesting that the extent of advertisement is widely dispersed among the listed sensitive firms in Nigeria. Minimum and maximum values are 0.00 and 7.92 respectively. Minimum of 0.0 could be as a result of the fact that some firms spending on advertisement is insignificantly low for a particular year and therefore, may not need to be disclosed for the financial year. However, the maximum value of 7.92 can be traced to Conoil Plc in 2017.

The average company image (CI) proxy by research and development is 0.058 approximately. The standard deviation is 0.33 approximately, suggesting that the extent of research and development is widely dispersed among the listed sensitive firms in Nigeria. The minimum and maximum values are 0.00 and 4.79 respectively. The minimum of 0.00 could be as a result of the fact that some firms spending on research and development is insignificantly low for a particular year and therefore, may

not need to be disclosed for the financial year. However, Eko Corp Plc had the highest research and development expenditure of 4.79 in 2014, which can be viewed from standing point of individuals firms not across the industry average.

Finally, the average level of capital intensity across the listed sensitive firms is 0.14, while deviation value of 0.462 indicates that there is a high deviation of the data from the mean. The minimum and maximum capital intensity measured as depreciation to net sales for the period covered are 0.00 and 4.954 respectively. The minimum value of 0.00 implies that either of the firms did not disclose their asset depreciation during the financial year, and this can be traced to Aluminum extrusion from year 2012 to 2014. However, Dangote cement Plc had the highest capital intensity value of 4.95 approximately in year 2013. Nevertheless, this is according to individuals firms not across the industry average.

Table 4.2 Correlation matrix

Variables	(1)	(2)	(3)	(4)	(5)	VIF
(1) SED	1.000					
(2) CS	0.147*	1.000				4.34
	0.011					
(3) AI	0.112*	0.760*	1.000			4.20
	0.053	0.000				
(4) CI	0.182*	0.077	0.030*	1.000		1.01
	0.002	0.183	0.607			
(5) CY	0.074*	0.876	0.873*	0.034	1.000	7.68
	0.203	0.000	0.000	0.562		

Source: Author's computations generated with STATA 13 Software (2020)

From the correlation matrix table 4.2, all the explanatory variables (CS, AI, CI, and CY) are positively correlated with SED of the listed environmentally sensitive firms. The implication is that the above variables move in the same direction with the SED. With respect to association among the independent variables themselves, the table reveals that there is positive correlation between AI, CI, CY and CS. In addition, positive relationship exists between CI, CY and AI. Finally, CY has a positive relationship with CI. On the other hand, the relationship among the independent variables is not too strong to warrant problem of multicollinearity with the exception of CY. The result revealed that CY has a strong relationship with CS and AI, but one cannot conclude presence of multicollinearity except it is proven by VIF test. To consider the collinearity issues, this study conducted Variance Inflation Factor (VIF) test, the results of which provide evidence of the absence

of collinearity. This is because the results of the VIF test ranges from a minimum of 1.01 to a maximum of 7.68 which are all less than 10 hence the absence of collinearity among the explanatory variables.

4.2 Diagnostic test

Before the conduct of the final regression, this study conducted diagnostic analysis to maintain the un-biasness of the parameters as argued by Wooldridge . Among the test conducted in addition to the multicollinearity test are based on the recommendation of Wooldridge are Hausman test which makes this study to go for fixed effect since the test is insignificant and LM test, which is significant at 1%. The study found that, the random effect is more appropriate thus, the study considered random effect model. Further test such as Normality and heteroskedasticity test were also conducted. This is because, one of the parametric test condition is that, the data must be normally distributed across the variables for the test to stand for generalization . However, it was argued that the normality is to be conducted on the residuals of the model and not the data where the dependent variable determine the parameteric analysis to be conducted . Thus, this study conducted a normality test on the residuals of the model using shapiro-wilk test and the study found that, the residual was normally distributed as it proved statistically insignificant with the p-value of 0.0790. While the heteroskedasticity test conducted using Modified Group Wise proved statistically significant with the p-value of 0.000, this indicates absence of homoscedacity. Due to the presence of heteroskedasticity therefore, the study further conduct generalized least square (GLS) model which overcome the heteroskedasticity issues. Thus, this study report GLS model results.

4.3 Generalized Least Square (GLS) result

The study presents the regression result regression in below.

Table 4.3: Cross-sectional time-series FGLS regression

SED	Coef.	St.Err.	t- value	p-value	Sig
CS	0.301	0.107	2.81	0.005	***
AI	0.051	0.028	1.81	0.070	*
CI	0.050	0.017	2.94	0.003	***
CY	-0.170	0.066	-2.58	0.010	**
Constant	1.282	0.202	6.35	0.000	***
Hausman p-value		0.0862	Hetttest p-value		0.000
Number of obs		301.000	Chi-square		23.22
LM Test		0.0000	Prob > chi2		0.000

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Source: Author's computations generated with STATA 13 Software (2020)

From the Table 4.3, there is clear evidence of significant relationship between the competitive strategy and SED if one considered the p-values. Which means the variable is statistically significant. From the result of the FGLS estimations, the result shows that CS has positive and significant relationship with SED, as indicated by the coefficient and p-value of 0.301 and 0.005 respectively. This means that increase in competitive strategy will aid the extent of social and environmental disclosure. This is on the grounds that, competitive strategy can be used as a veritable tool to spur corporate policies and communicate with the stakeholders regarding the firms' environmental activities. **This provides basis for rejecting the null hypothesis**, which states that competitive strategy has no significant effect on SED quality. This finding supports the proposition of legitimacy theory and the findings of.

Furthermore, AI has no association with SED at 5% level of significance. The coefficient of advertisement intensity is 0.051 with p-value of 0.070. This signifies that, though there is positive relationship between advertisement intensity and SED, this relationship is not significant. On this basis, therefore we fail to reject null hypothesis, which states that AI has no significant effect on SED quality AI. This however oppose the view of.

Finally, CI as proxy by research and development has a coefficient of 0.050 with the p-value of 0.003, which means that innovation has a positive and significant relationship with SED of listed environmental sensitive firms in Nigeria. It also means that an increase in research and development expenditure will foster SED. This is due to the fact that firms with a high level of research and development investment are apt to make voluntary disclosures. Via disclosure, firms deliver the message to both stakeholders and potential investors that they are competent and worth working with. On this basis, we therefore reject the null hypothesis, which states company image has no significant effect on social and environmental disclosure quality. This finding supports the proposition of legitimacy theory and the findings of.

Conclusion and Recommendations

Based on the result, the study concludes that a positive and significant relationship exist between competitive strategy, company image and social and environmental disclosure. However, positive and insignificant relationship was found between advertisement intensity and SED. In line with the findings, firm's competitive strategy could modify the association between the qualities of SED of listed firms. This is similar to the submission of.

The study recommended that prospective investors should be conscious of firm's competitive ability when trying to interpret firm's social and environmental performance for assessment of prospective investment decision. Also listed firms could enhance their profitability and gain competitive edge by embracing voluntary disclosure of their commitment in social and environmental activities.

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INFLUENCE OF GOVERNMENT EXPENDITURE ON PROMOTING PERFORMANCE OF AGRICULTURAL CO-OPERATIVES IN NIGERIA

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ABSTRACT

The study examined the influence of government expenditure in promoting performance of agricultural co-operatives in Nigeria. The specific objective was to ascertain the extent government agricultural expenditure has influenced the performance of agricultural co-operatives in Nigeria. This time series study covered a period of 34 years from 1986-2019. The Ordinary Least Square (OLS) regression determined stationarity test of the study variables using Statistics of ADF. Findings showed that the variables were all integrated at the same level and first difference, and found out to be stationary at their first difference. The study also using Johansen Cointegration Test, found that there is a long run relationship between the variables. Hence, the implication of this result is that there is a long run relationship between the growth performance of agricultural co-operatives and the variables used in this study. The study concluded that public expenditure on agriculture positively and significantly influenced the performance of agricultural co-operatives in Nigeria. Recommendations were made with respect to government expenditure on agriculture and Agricultural Co-operative performance that the government should step-up funding for effective promotion and direct budgetary allocation for agriculture since funding is found to be significant in promoting the development of agricultural co-operatives and that agricultural development and increased in food production should be encouraged to be promoted under the platform of agricultural co-operatives in order to sustain its promotion and development efforts.

Keywords: Government Expenditure, Agricultural Co-operatives, Nigeria

INTRODUCTION

The promotion of agricultural co-operatives has been publicized as the most effective tool for the enhancement of agricultural productivity in Nigeria. The original impetus for the introduction of co-operative was in agriculture, more precisely agricultural co-operatives and recent rural co-operatives were formed to address issues bedeviling farmers such as reduced prices on farm produce and increased prices on farm inputs, high transportation costs and wide margins and low bargaining power as a result of the long-run market chain (Uchendu, 2016).

Ibeh (2012), opines that Cooperatives, in their organizational forms are effective instruments for mobilizing the small-scale farmers' resources so they could enjoy effects of large-scale production through joint actions. In Nigeria, agriculture has remained an area of research interest for over three decades because of its prime importance in national development. The governments at various levels in Nigeria have given agricultural sector numerous support because of its role in addressing key national issues both in the past and presently such as food security through improved productivity, employment generation, provision of revenue for government through earnings from domestic and export taxes and provision of revenue for investment in other sectors of the economy (Edeh, Ogbodo & Onyekwelu, 2020).

Ademola, Olaleye, Olusuyi and Edun (2017) posited that the agricultural sector is a backbone that helps the rate of tremendous diversification of the Nigerian economy and less importation of agricultural products for its economic development, growth and sustainability. The important of agricultural support the national economy cannot be over emphasized considering its role in providing the grounds for development and financial impacts on the economy, even though there is perceived public outcry that the nation's economy is fast dwindling, necessitating gap between the demand and supply of food in the national economy. However, successive governments have made frantic efforts to ameliorate the sector through funding.

In spite of these government efforts aimed at improving the sector, the rising food security challenges in Nigeria has not been remedied. One way to promote the sector is through investment in public spending, financial intermediation (Sebastian, Florence & Charity, 2018; Emenuga, 2019; Nahanga, 2017).

Nigeria is blessed with abundance natural resources which have been evidential in its agricultural and oil wealth resources, but a large number of her population wallow in abject penury evident in persistent hunger and starvation. In an effort to addressing hunger occasioned by food security challenges in the country, the government has been promoting the sector, using co-operative societies as instruments. One way the government and donor agencies have tried to promote agricultural co-operatives to enhance food production is by promoting to promote either agriculture or the agricultural co-operative sector through investment in agriculture or agricultural co-operative through public spending, Presently, co-operative development and growth in Nigeria has not been impressive and membership has continued to nose-dive, thus inhibiting agricultural growth.

The inability of co-operatives to engage in large scale food production and how co-operative promotion through government expenditure on agriculture can remedy the situation. The rising food demand and supply gap in Nigeria orchestrated by population of the country as well as the inability of the farmers to adequately finance agricultural production in Nigeria. The importance of co-operative as an instrumental tool in ameliorating peoples' conditions has necessitated agricultural co-operative societies in Nigeria to be promoted through government and value additions to

understanding of promotion and development of agricultural co-operative societies. Agribusiness, self-help organizations, co-operative studies researchers; policy makers like government and co-operative apex organizations among others would appreciate the relevance of the study.

In view of the foregoing, embarking on the study to examine the influence of government expenditure on promoting performance of agricultural co-operatives in Nigeria became necessary, covering the period from 1986-2019.

Objectives of the Study

The general objective of this study was to examine the influence of government expenditure on promoting performance of agricultural co-operatives in Nigeria from 1986-2019. The specific objective was to:

- i. Ascertain the extent government expenditure on agriculture has influenced the performance of agricultural co-operatives in Nigeria.

Research Question

- i. To what extent has government expenditure on agriculture influenced the performance of agricultural co-operatives in Nigeria?

Hypothesis

Null hypothesis was formulated for the study:

Government expenditure on agriculture has no significant influence on performance of agricultural co-operatives in Nigeria.

RELATED LITERATURE REVIEW

Agricultural Co-operatives

The concept “cooperation” is of Latin origin and it means to work together. The International Labour Organization (ILO) defines co-operative as an “autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise” (ILO, 2016). Co-operatives play a prominent role in the agricultural sector, both in developed and developing countries like Nigeria among others. Essentially, cooperation is the basis of civilization (Karthikeyan, 2017). To actualize civilization through Co-operative values become significant. Agricultural Co-operative in the view of Ijere (2008) can be seen as Co-operative whose members are agricultural producers or are involved in related agricultural activities. They can be single or multiple purpose co-operatives, agricultural input supply co-operatives, marketing co-operatives, agricultural credit co-operatives, machinery cooperatives, land acquisition co-operatives, livestock producers' co-operatives, fishery

co-operative society, oil mill co-operatives and rice mill co-operatives among others. Berko (2009) stated that these co-operatives take various organizational forms as co-operative business enterprises, producers' co-operatives, auxiliary or service co-operatives. More so, agricultural co-operatives enhance agricultural productivity through the supply of inputs such as fertilizer and seeds, collective production and marketing of agricultural produce among others.

Agricultural Promotion

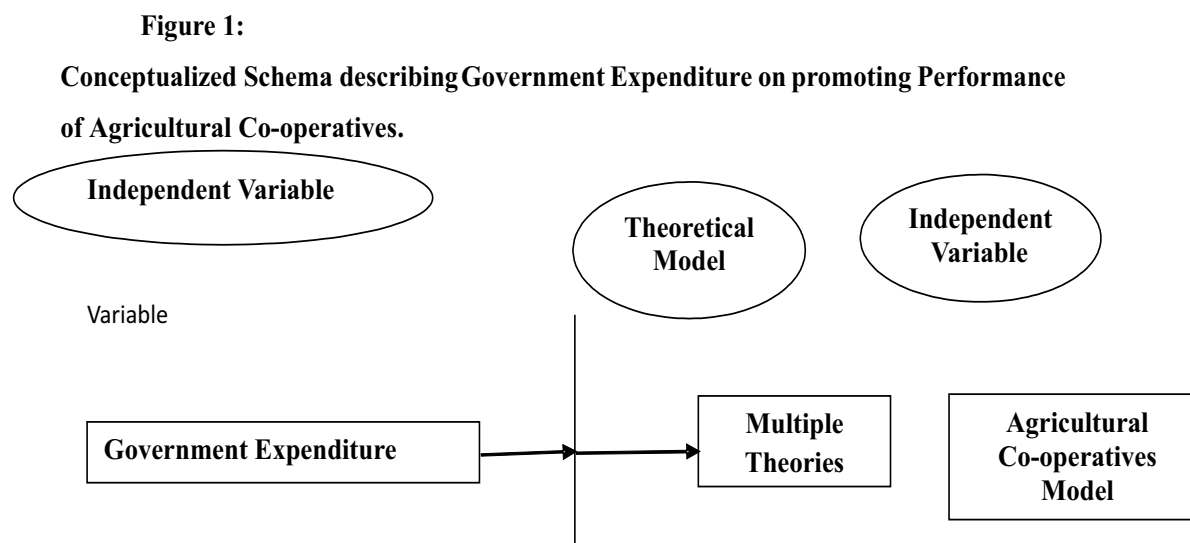
The new federal Agricultural Promotion Policy is a strategy that focuses on solving the core issues at the agricultural sector including food production security and delivery of quality standards of living. Agricultural promotion can only become relevant to National Development when it is able to transform and improve rural life by ensuring increased incomes of the rural people and the provision of certain basic social and economic infrastructural facilities which hitherto were unknown or hardly know in these rural areas.

Agricultural promotions had the potential increase the level of agricultural production by making available cleared and prepared lands and allowing for multiple or all-season cropping through irrigation facilities. In the live stocks sector, it is possible to increase meat supply by providing good stock for breeding, providing veterinary services and providing permanent grazing grounds in an attempt to reduce the nomadic practices of herdsmen.

Governments at various levels are also expected to provide and promote Agro-allied industries so that certain inputs can be provided and agricultural and fishery products properly processed and stored. All these activities were expected to increase farmer's incomes and purchasing power. In addition, the activities of agricultural promotion are expected to yield primary employment and through employment multiplier mechanism of secondary employment in both urban and rural areas.

Government Agricultural Expenditure

Government spending is the allocation of funds to healthcare, education, national defense, agriculture and other sectors in the economy in order to better the entire sector. Agricultural expenditure is the allocation on the agricultural sector which is aimed to boost agricultural productivity and output, thereby inciting economic growth. Government spending in agriculture comprises of yearly Billions of expenses on sector policies, agricultural Co-operatives and programs, construction of flood control, irrigation and drainage systems, operation or support of extension services or veterinary services to farmers, pest control services, crop inspection services, provision of grants and subsidies to farmers, etc. Investing in agriculture through agricultural Co-operatives is one of the most effective ways of promoting agricultural productivity, raising real incomes, reducing poverty and food insecurity, and enhancing environmental sustainability (FAO, 2016).



Source: Authors Conceptualization, 2021.

From the moment problems are discovered, theories are therefore developed for a logical explanation of what is happening. This is why theory serves as a guide and compass for any articulated knowledge. Many scholars and academia have propounded different theories depending on the school of thought to which they represent. In this undertaking System and Action theories are suitable and adopted to better our understanding and knowledge of the **study**.

Theoretical Review

Application and Relevance of System theory

This study also anchored on the systems theory because the realization of the goals for which agricultural cooperatives were established depends on the effective management of the different areas that constitute the cooperatives as a social system, especially the provision of services that will make the members and official achieve all round development.

Application and Relevance of Collective Action Theory to the Study

The application of this theory to the study unravels the relevance because it offers agricultural cooperatives the ideal solution to undertake a collective action especially when injustice in the application or implementation of the dividends of cooperative does not reflect equity, no communication is allowed, the free rider problem.

Empirical Review

Kenny (2019) investigated the contribution of agricultural sector performance on economic growth in Nigeria. The study adopted simple descriptive statistics model. The study proofed that agricultural credit guarantee scheme fund has a positive but insignificant impact on the agricultural domestic production and public spending on agriculture have significant effects on the domestic agricultural production.

Audu and Igbodor (2017) examined the factors influencing small- holder farmers' productivity within Taraba state Agricultural zone II using descriptive analysis and binary logistic analysis. The variables found to be highly significant and which influenced farmers' productivity include access to formal credit or loan (at 5%), farming size of the respondents (5%), membership of farming-based organization (FBO, at 1%) and number of the years the farmers had spent in school (at 10%), among others. The variables that are not highly significant, but exact some influence on farmers' productivity include age, experience, access to extension agent, and gender.

Gap in Literature

There is dearth or scanty of study that has adopted the econometric model specifications used for this study in the field of Cooperatives as well as adoption of Government expenditure on agriculture proxied to promotion of cooperative performance in Nigeria.

METHODOLOGY

Data Sources

The research work made use of secondary data spanned from 1986 to 2019, sourced from the reports and Bulletins of the National Bureau of Statistics (NBS) and the Central Bank of Nigeria (CBN) on government expenditure on Agriculture (GEA) and Performance of Agricultural Cooperatives (PAC).

The Theoretical Foundation for Model Specification

The study employed a functional form of equation for the study. The functional form model adopted in its analysis can be stated as follows:

$$Y = \beta_0 + \beta_1 X_1 + \dots + \beta_n X_n + \mu_i \quad (3.0)$$

Where, Y = Dependent variable

X_1, \dots, X_n = Explanatory variables

β_1, \dots, β_n = The partial slope coefficients

β_0 = The intercept

μ_i = The error term (it is normally distributed)

In this stead and in tandem with our research objectives, question and hypothesis, the study adapted a functional equation.

Econometric Model Specification

The research model specification was based on the insight gained from the functional form model and modifications made. Thus, the study examined the influence of government expenditure on promoting performance of agricultural co-operatives in Nigeria. For the model, the dependent variable is the performance of agricultural co-operatives proxied by rate of growth of the agriculture while the independent variable is government expenditure on agriculture.

$$PAC = f(GEA) \quad (3.1)$$

The mathematical equation of the model is:

$$PAC = \beta_0 + \beta_1 GEA \quad (3.2)$$

The econometric form of the model is:

$$PAC = \beta_0 + \beta_1 GEA + \mu_i \quad (3.3)$$

Where;

PAC = Performance of agricultural co-operatives proxied by agricultural growth rate

GEA = Government expenditure on agriculture

β_0 = Intercept of the model

β_1 = Parameter's regression

μ = Error term.

Table 1: Summary of the A priori expectation

Parameters	Variables		Expected Relationships	Expected Coefficients
	Regress	Regressor		
β_0	PAC	Intercept	+/-	$0 < \beta_0 > 0$
β_1	PAC	GEA	+	$\beta_1 > 0$

Source: Researchers' compilation (2021)

Note that: a '+' indicates regress increases in one hand and on the other hand, a '-' implies an inverse or decrease relationship between the regress respectively.

F-test: The f-test was used to measure the general significance level of the entire results. It is used to compare two population variances. Thus, The F-test statistics showed that the model has no goodness of fit. Decision rule: Reject H_0 if $F_{cal} > F_{\alpha} (k-1, n-k)$ at $\alpha = 5\%$, accept if otherwise.

Test of Hypothesis and decision rule

The hypothesis of the study was tested using t-statistics. The dependent and independent variables t-test was conducted at 0.05 or 5% level of significance.

Decision rule:

1. When the calculated t -value > tabulated t -value at the given level of significance occurred, we reject the null hypothesis and accept the alternate.
2. When the calculated t -value < tabulated t -value at a given level of significance, we accept the null hypothesis and reject the alternate.

DATAANALYSIS

Descriptive Statistics

The data were analyzed by Ordinary Least Square (OLS) techniques using E-view. This is because OLS will enable us to get accurate level of relationship between the variables of study. Discussions on preliminary tests are presented in the tables below:

Stationary Test

The study test for stationarity used Augmented Dickey-Fuller (ADF) tests on the data. The ADF tests are done on level series, first and second order differenced series. The decision rule is to reject null hypothesis if the ADF statistic value exceeds the critical value at a chosen level of significance (in absolute terms). The result of the regression is summarized on the table below:

Table 2.1: Unit Root Test Results of ADF

Variables	Level = $I(0)$			1 st Difference = $I(1)$	
	Not Trending	Trending with Intercept		Not Trending	With Trend & Intercept
PAC	0.940187	-2.572199		-4.961426	-5.091327
GEA	-0.138486	-2.065378		-6.651009	-6.534096
@1%	-2.636901	-4.262735		-2.639210	-4.273277
@5%	-1.951332	-3.552973		-1.951687	-3.557759
@10%	-1.610747	-3.209642		-1.610579	-3.212361

Source: Researcher computation using E-view 10.0

Evidence from unit root table above shows that all the study or model variables are not stationary at level difference but stationary at first difference. Since the decision rule is to reject null if the ADF statistic value exceeds the critical value at a chosen significance level (in absolute terms), and accept stationarity when ADF statistics is greater than critical value, the ADF absolute value of each of these

variables is greater than the 1%, 5% and 10% critical value at their difference first level but less than 5% critical value in their level form. Therefore, the study concludes that performance of agricultural co-operatives (PAC), government expenditure on agriculture (GEA) is stationary at their difference first level of integration $I(1)$.

Johansen Cointegration Test

This tests for correlations among the variables. Cointegration test is done on the residual of the model. Since the unit root test shows that none of the variable is stationary at level, $I(0)$ rather they integrated at their difference in the first level $I(1)$, therefore, the study tested for cointegration among these variables. The result is summarized in the table below for Trace and Maximum Eigenvalue cointegration rank test respectively.

Table 3.2: Summary of Johansen Cointegration Test

Unrestricted Cointegration Rank Test (Trace)

Hypothesized	Trace	0.05		
No. of CE(s)	Eigenvalue	Statistic	Critical Value	Prob.**
None *	0.758337	124.3637	95.75366	0.0001
At most 1 *	0.631638	78.91691	69.81889	0.0029
At most 2 *	0.595056	56.95887	47.85613	0.0046
At most 3 *	0.479129	35.09305	29.79707	0.0081
At most 4	0.255328	9.840848	15.49471	0.2932
At most 5	0.012634	0.406878	3.841466	0.5236

Trace test indicates 4 cointegrating equations(s) at the 0.05 level

* Denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Source: Researcher's computation 2021

Table 3 indicates that trace have four cointegrating variables in the model while Maximum Eigenvalue indicated also that there are four cointegrating variables of agricultural co-operatives and other variables used in the model.

DISCUSSION OF RESULT

The regression model is restated and the regression result follows:

Table 4: Summary of Regression Results

Dependent Variable: PAC

Method: Least Squares

Sample: 1986 2019

Included observations: 34

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	12.18229	3.379542	6.125386	0.0000
GEA	3.136000	0.096024	3.374907	0.0010
R-squared	0.846704	F-statistic	30.93060	
Adjusted R-squared	0.819330	Prob(F-statistic)	0.000000	
S.E. of regression	1.775000	Durbin-Watson stat	1.861054	

Source: Researcher computation (2021)

Economic A Priori Criteria Evaluation

In evaluating the regression results based on the theoretical a priori expectations. The sign and magnitude of each variable coefficient is evaluated against theoretical expectations.

From the above table, it is observed that the regression line has positive intercept as presented by the constant (c) = 12.18229. It implies that holding every other variable constant (at zero), the performance of agricultural co-operatives will be valued at 12.18, Therefore, the expectation is that the intercept could be positive or negative in conformity with the theoretical expectation.

The result showed that government expenditure on agriculture (GEA) has positive influence on the performance of agricultural co-operatives in Nigeria. This means that if the variable positively increased, it will bring about positive increase in the performance of agricultural co-operatives in Nigeria.

The regression analysis observed that all the variables conformed to the a priori expectation of the study and summarizes the a priori test.

Table 5: Summary of Test of Economic A Priori

Parameters	Variables		Expectation	Observation	Conclusion
	Regressand	Regressor	Relationships	Relationships	
β_0	PAC	Intercept	+/-	+	Conformity
β_1	PAC	GEA	+	+	Conformity

Source: Researcher's Compilation (2021)

Statistical Criteria Evaluation

The researcher applied the R^2 , adjusted R^2 and the F-test to determine the statistical reliability of the estimated parameters and the tests are showed below:

From regression result, the above Table indicated that the coefficient of determination (R^2) is given as 0.846704, which shows that the explanatory power of the variable is extremely high and strong. This implies that 85% of the variations in the performance of agricultural co-operatives are being accounted for or explained by the variations in government expenditure on agriculture, while other determinants of the performance of agricultural co-operatives not captured explained about 15% of the variation in the performance of agricultural co-operatives in Nigeria.

Econometric Criteria Evaluation

The following econometric tests are used to evaluate the result obtained from the study model in respect to Heteroskedasticity.

Test for Heteroskedasticity

This test is conducted to see whether the error variance of each observation is constant or not. The hypothesis testing is thus: H_0 : There is a homoscedasticity in the residuals. The decision rule is to accept the null that there is a homoscedasticity (that is, no heteroskedasticity) in the residuals if the probability of the calculated F-test statistic (F) is greater than the 0.05 level of significance chosen in the study, the null will be accepted. Hence, $P(F) = 0.2731$. This implies that the F-statistic is greater than 0.05 level of probability significance. Therefore, the study accepted the null hypothesis that the model has no heteroskedasticity in the residuals and that the data is reliable for predication.

Test of Hypothesis

T-test was run to know the statistical significance level of the respective parameters. There was conduction of Two-tailed tests at 5% significance level. Here, the study compared the estimated or calculated t-statistic with the tabulated t-statistic at $t_{\alpha/2} = t_{0.05} = t_{0.025}$ (two-tailed test). The result is shown on the Table below:

Table 6: Summary of t-statistic

Variable	t-calculated (t_{cal})	t-tabulated ($t_{\alpha/2}$)	Conclusion
Constant	6.125386	± 2.048	Statistically Significant
GEA	3.374907	± 2.048	Statistically Significant

Source: Researchers Computation (2021)

The study considered test of the individual hypothesis: For GEA, $t_{cal} > t_{\alpha/2}$, the calculated value is greater than tabular alternate value, therefore the study rejected the null and accepted the alternative. This means that government expenditure on agriculture has a significant influence on the performance of agricultural co-operatives in Nigeria.

Findings, Conclusion and Recommendations

The study employed OLS technique and analysis using statistics of ADF which was used to determine the stationarity level of the study variables, it was discovered that the variables were all integrated at difference first level. Findings revealed to be stationary at their first difference. The study also using Johansen Cointegration Test, found that there is spanned relationship between the variables proxied. Hence, the implication of this result is that there is a long run relationship between the performance of agricultural co-operatives and other variables used in the study. Findings showed that:

1. Expenditure on agriculture by government has positive influence on the performance of agricultural co-operatives in Nigeria. This means that when these variables positively increase, it will bring about positive increase in the performance of agricultural co-operatives in Nigeria.
2. Results conformed to the a priori expectation of the study and the variables of the study were statistically significant in explaining the performance of agricultural co-operatives in Nigeria.

Conclusion

The study concluded that government expenditure on agriculture has positively and significantly influenced the performance of agricultural co-operatives in Nigeria.

Recommendations:

- i. The government should step-up funding for effective promotion and direct budgetary allocation for agriculture since funding is found to be significant in promoting the development of agricultural co-operatives.
- ii. Agricultural development and increase in food production should be encouraged to be promoted under the platform of agricultural co-operatives in order to sustain its promotion and development efforts.

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**WELFARE INCENTIVES ON EMPLOYEES PRODUCTIVITY AND JOB
SECURITY OF PUBLIC SERVANTS IN BADAGRY LOCAL
EDUCATIONAL DISTRICT, LAGOS.**

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ABSTRACT

The intrinsic indices of push and pull factors welfare incentives and job security are the essential determinant that induced people to work and be productive when job security is the guarantee. The objective of the study was to examine the influence of welfare incentives and job security of secondary school teachers in BLED. Data for this study were obtained from both primary and secondary sources. Primary data were obtained from the administration of 182 copies of questionnaires to 13 public secondary schools in BLED of both junior and senior schools. In each of these schools, a total of 14 copies of questionnaires were distributed. To this end, 7 copies each were administered to the teaching staff of both the junior and senior schools in BLED. On the other hand, secondary data were sourced from published and documentary materials. The conceptual framework of welfare incentive, productivity, job security and public servants were examined for the study. The descriptive and 2-tailed statistical analyses were used for this study to test motivational factors of employees' welfare and job security. The results show that improved welfare incentives such as; good salary structure, professionalization, job security and good leadership styles among others were factors that further influenced job satisfaction and teachers' productivity and the correlation between financial incentives and productivity. The study recommends that priority should be given to a constant review of welfare incentives to public servants of mainly of secondary schools' teachers as these influences go a long way in enhancing students' performance and behaviors. Furthermore, these indices will gear employees towards job satisfaction and enhancement of employees' productivity.

Keywords: Welfare-Incentive, Employees-Productivity, Job-Security, Public-Servants, Badagry-Local-Educational-District.

INTRODUCTION

Within the African continent, employees' welfare and job security differ from country to country. In South Africa, Tanzania, Rwanda, Tunisia, Libya and Egypt for instance, employees' welfare and job satisfaction and security are far better if the comparison is to be made with others developing countries with Nigeria as a case study. In Nigeria, among one the basic social problems in recent times are poor motivation and remuneration of public servants mostly in the educational sector. Part of the way towards the realization of these tasks is through the provision of absolute welfare services and incentives to employees. The ability to create a situation where employees can satisfy basic needs such as; job satisfaction and job security while working toward the goals of their employers. It's not a strange fact that the indices of motivational factors vary from one organization to another, private and public services. These indices are based on one or a combination of factors as the nature of the job, revenue generation, risk management and kind of services rendered. For instance, a comparative study of indices of motivational factors of teachers in government-owned schools (e.g., Badagry Grammer School, Badagry and Model College, Kankon-Badagry) with other well-established schools of the private sector (e.g., Frontline International School and Royal Spry International School), all within Badagry Local Educational District, Lagos State ascertained to these assertions. Furthermore, the same comparison can be said of staff from the organizations of Nigeria National Petroleum Corporation(NNPC), and Nigeria Liquefied Gas(NLG), of the Oil and Gas sector, from the Economic and Financial Crime Commission(EFCC) and Federal Inland Revenue Services(FIRS) of the Financial sector and their counterparts from Federal and State Ministry of Education in the Educational sector as well as those from the Federal and State Ministry of Environment. However, in these establishments the nature and levels of job satisfaction, productivity and job security differ. Job security in this context of motivation refers to job safety and how long a job can be held by an employee without termination from flimsy excuses or strike actions. In the teaching service, an employee's appointment is hardly terminated except for gross offenses or professional misconducts of the employee (Akinwande, 1990; Abari and Mohammed, 2006; NLC, 2021; Sanni, 2021; Akinbode, 2021; P-P Tescom, Badagry, 2021; Ameachi, 2021).

Teachers' welfare incentives mainly salaries are becoming inadequate and irregularly while the poor working conditions and job dissatisfaction have adversely affected the quality of products of the educational system in the past 3 decades (Mbieli, 2006; Okopi and Aminu, 2012; Agbebaku, 2020). Studies have shown that educational systems across the globe have one common goal which is aimed at manpower development. In addition, the quality of educational standard at any level depends on human commitment and investment of resources such as; (a)capital(finance), (b)human(personnel), (c)curriculum(educational standard), and (d)materials(infrastructural development). Knowledge and skills acquired from educational attainments will enable people(s) to live and function successfully within their environment, support themselves and contributes meaningfully to the overall development of society. Good education, therefore, demand motivational factors such as; curriculum, welfare and leadership style, good teaching from men and materials resources while experience from a good and conducive work environment will enhance job satisfaction, productivity

and job security of employees for optimum performance. In another perspective, the quality of education depends on job motivation via welfare services and incentives, productivity and job security as well as the nature and qualities of infrastructural developments and metal (curriculum) requirements for optimum functionality of the system and attains its mission and vision statements of such educational organizations (Abari and Mohammed, 2006; Okopi and Aminu, 2012; Agbebaku, 2014; Agbebaku, 2018; Victoria, 2021: Agbebaku and Majebi, 2021).

Motivational indices from welfare incentives such as one or a combination of these factors of; (a) better salary structure, (b) science allowance (c) rural/riverine allowance, (d) leadership styles and qualities, (e) pension retirement scheme, (f) loan facilities, (g) nature and hours of work, (h) labor union, (i) working condition, and (j) job security and welfare services as; (i) physical structure, staff office and conducive environment, (ii) medical and housing facilities, (iii) recreational and canteen facilities (iv) transportation and (v) curriculum and educational standard are instrumental towards the attainment of employees satisfaction, productivity and job security in and organization and mainly in the teaching profession as an increase in pay rise play an important factor in inducing people to work effectively. These assertions were in line with the studies of motivational theories such as those from the 19th century e.g. Maslow(1954), Herzberg(1959) and Anifowose and Enemuo, (1999) and 20th century e.g. Obiajulu and Obi(2004) and Abari and Mohammed(2006). Studies from these sets of scholars have shown that the main reason why people(s) go to work is to earn money, as the money will enable them to support themselves (welfare incentives) and contributes meaningfully to the overall development of society (job satisfaction and job security), (Akinwande, 1990; Anifowose and Enemuo, 1999: Obiajulu and Obi, 2004; Agbebaku, 2004; Mbieli, 2006; Okopi and Aminu, 2012; Agbebaku, 2004; 2018; Agbebaku and Fagbemi, 2014; Agbebaku and Majebi, 2021: Sanni, 2021; Victor, 2021; Akinlagun, 2021; Akingboyega, 2021).

Employees are no longer having that fulfillment and job satisfaction from the profession longer but just engaging and remaining in the profession on the ground of job security and holidaying without much passion and commitments on-the-job. In addition, these sets of public servants were tied to the profession because of the inadequacy and unavailability to secure a juicy job on one hand, while on the other, the nature of hours of work as teachers can rest or take advantage of the short hours of service and holidaying periods to engage in other engagements as observed by public schools teachers in addition to the professionalism of the job (Akinwande, 1990; Ejiogu, 1990; Agbebaku, 2004; Abari and Mohammed, 2006; P-P Tescom, Badagry, 2021). To ascertain these facts, teachers in BLED are still receiving poor salaries as take-home, couples with heavy tax deductions, delay arrears(promotion), pension gratuity, poor working conditions, poor leadership style and delayed promotions. Furthermore, allowances as game/recreation, science teacher, rural/riverine, class/house teacher, transport and medical as well as loan incentives have all seized to exist in recent times in most of the public schools in BLED. But the good side from this ill-administrative psychosis is that, is the timely payment of salary and approval for the formation of Thrift and Loan Cooperative Societies for public schools' teachers within the state. This centralized thrift and loan cooperative system has helped to ease teachers suffering as they can apply for a loan with ease and buy goods of

the choice at low interest rate and with no collateral as obtainable in the circular society. In essence, teachers can secure and advance loan facilities for self-development, build and buy properties, cars and invest in other areas of their choice (Akinwande, 1990; P-P Tescom, Badagry, 2021; Agbebaku and Majebi, 2021). Furthermore, studies have shown that in the past two decades and still counting, the teaching profession in Nigeria has recorded an invariable increase in the number of industrial actions staged by staff in the Nation's Universities under the platform of the Academic Staff Universities Union (ASUU) and National Union of Teachers (NUT), clamoring for improved staff welfare, improved working conditions, revitalization and professionalism of the profession among others issues (NUT, 2021; NLC, 2021).

For instance, ASUU had gone through a series of constant strike actions 11 times since 1992 to date. These strike actions were all aimed for better remuneration, harmonization, revitalization and improved working condition of the Universities system. The most recent strike of ASUU was experienced during the recent COVID-19 pandemic outbreak that lasted for 10 months (March – December 2020), during which ASUU made a 5-point demand from the government which centered on the revitalization among other requirements of the University System from total decay while the NUT is clamoring for the professionalization of teaching profession for a better pay rise and working condition and scheme for teachers. However, these incessant strike actions have caused adverse effects on the academic performance of students at large and low productivity and job insecurity on the part of teachers (Agbebaku, 2004; Agbebaku and Majebi, 2021; ASUU, 2021; NUT, 2021; P.P-Tescom, Badagry, 2021). Given the above strike actions, teachers at primary and secondary levels were not left out, the association of National Union of Teachers (NUT) was not left behind in the struggle for improvements of her members' working conditions, especially with regards to paying rise, terms of employment, and professionalism of their profession.

To this end, the past NUT nationwide strike actions in 1994 called for and initiated the introduction of the Teachers Salary Scale (TSS), harmonization, and professionalism of the teaching profession among other reasons as obtainable in others of the developing countries in Africa. However, between 1994 and now, the union has undergone 6 strike actions in the bid to reposition the teaching profession for better welfare services and professionalization of the profession (Agbebaku, 2004). In addition, the appeal for improved condition of service and better salary structure among other motivational factors has been on since the past 2 decades before this current administration of President Mohammadu Buhari in May 2020 signed into law and rolled out motivational incentives, plans, and schemes for the profession only for teachers in the primary and secondary school levels and with particular concerned for teachers in rural/riverine areas, housing, and medical allowance and loan facilities among other motivational factors that will enhance job satisfaction that will enhance productivity and efficiency of primary and secondary schools teachers. On the other hand, the same measure was extended to ASUU in December 2020 for their agitations, struggles and welfare incentives after the 10 months' strike actions. Furthermore, in BLED manpower staffing does not equate with staff - students' ratio. All the secondary schools in BLED are grossly

understaffed and this ill practice has been on for the past two decades as against the standard ratio. The practice of understaffing in public schools has caused teachers to be over-stressed with the multiple teaching subjects per week and assessment of student's performance. In some situations, certain subjects are not adequately covered or taught at all owing to understaffing and refusal of the government to employ teachers (Agbebaku, 2004; Agbebaku and Majeji, 2021; P.P-Tescom, Badagry, 2021). To this end, even where the schools' authorities engaged the services of part-time teachers (P.T.A, Core Project, Sure Project), teachers on contract bases to fill-in-the-lacunar of staff deficiency to maintain and sustain an educational standard. These part-time teachers are given poor financial incentives and no prospects of welfare services and job satisfaction in the future.

Enumeration for these sets of staff was derived from the pool of P.T.A fund, a compulsory-leveled payable by students. But in some exceptional cases where the state government is involved in such arrangements, payments for these sets of teachers were derived from sundry fund from the ministry of education. Given these arrangements, these sets of staff were grossly remunerated unlike their counterparts with the state government (P.P-Tescom, Badagry, 2021). Most of the permanent teachers within BLED are not willing to deliver their best, owing to poor finance and working conditions, job insecurity, no-pension and retirement benefits among other motivational factors. Studies have shown that welfare incentives are elements push and pull factors towards employees' productivity and job satisfaction. However, many studies on motivational factors and job satisfaction have been carried out mainly in corporate establishments of the public sectors and fewer of these studies have effectively combined the influence of motivational factors on employee productivity and job security and this substantiates the research gap. To achieve this, the objective of this article is to identify and examine welfare incentives that enhance employee productivity and job security of secondary school teachers in BLED, Lagos State due to poor motivational incentives.

2.0 Conceptual/Theoretical Framework

Welfare Incentives and Staff Productivity: These are some of the measure's organizations put in place to induce employees to perform optimally towards the mission and vision statements of the organization. In the teaching profession, these welfare services and incentives include physical and infrastructural development such as; (a)building structure, staff office and conducive environment, (b)medical and housing facilities, (c)recreational and canteen facilities (d)transportation and (e)curriculum and educational standard for the former while welfare incentives are; (a)better salary structure, (b)staff development scheme (c)rural/riverine allowance, (d)leadership styles (e)arrears and pension retirement scheme, (f)loan facilities, (g)nature and hours of work, (h) labor union, (i)working condition, and (j)job security for the latter. Other motivational incentives for teachers may include (i)allowances for science subjects, (ii)class and house master's/mistress, (c)game/sports allowances among other incentives (Maslow's, 1954; Anifowose and Enemuo, 1999; Abari and Mohammed, 2006; Agbebaku and Fagbemi, 2014). On the other hand, **productivity** connotes **the** same as the efficiency of employees towards service delivery. Productivity is a measure of individual

and organizational performance. It entails not only efficiency but also effectiveness. Efficiency is the ratio of output to inputs while effectiveness refers to what extent output satisfies program objectives. Based on these, employees' productivity can only be measured based on the output irrespective of the input and incentive rendered, such as good salary, better working conditions, recognition, responsibility, achievement and growth as well as insurance cover. However, the productivity level of public servants must first and foremost consider the following essentials: (a) the environment in which the public servants operate, (b) the level of motivation of the service, (c) the quality, quantity and caliber of manpower available and (d) the materials (money and equipment) provided for use. Without these essential inputs, it will be idealistic to expect much from employees or public servants (Agbebaku, 2004; Abari and Mohammed, 2006; Mbieli, 2006; Agbebaku and Fagbemi, 2014; Agbebaku and Majebi, 2021).

Job Security: This connotes job safety and how long a job can be held by an employee before termination or retirement if need be. In government and teaching services, an employee's appointment is hardly terminated except for gross offense or professional misconduct of the employee but this cannot be said of their counterparts from the private sector where a wave of a combination of the following factors as; constant power failure, liquidation, high tax, epidemic, insecurity, government policy, low patronage and high cost of production, in addition to gross offense or professional misconduct can lead to lay-off, termination or dismissal of appointment. But in the teaching profession, public school teachers are sure of their job irrespective of the level of inadequate motivational incentives and job dissatisfaction of their security and safety of their job (Anifowose and Enemuo, 1999; Mbieli, 2006; Agbebaku and Fagbemi, 2014; P.P, Tescom, Badagry, 2021; Victoria, 2021; Sanni, 2021; Akinlagun, 2021; Bidemi, 2021).

Public Servants: (Secondary School's Teachers) These refer to a group of men or women appointed to provide teaching and administrative services in public institutions. These categories of employees constitute permanent staff members at the various departments or ministries of the Federal and State governments. Levels of productivity and efficiency of public servants can be measured by the usefulness, timeliness, and quality of the services rendered to the public. These can be measured by responsiveness to the needs and aspirations of the people they are meant to serve. However, for public servants to be productive and effective or efficient, relevant inputs must be provided. The government must provide a conducive working environment, adequate motivation, and men and materials for the public servants to function. The output from the public servants must be judged from the perspectives of the type of inputs provided. Thus, to be able to assess the productivity and efficiency of public servants, we must first and foremost consider the following: (a) the environment in which the public servants operate, (b) the level of motivation of the service, (c) the quality, quantity, and caliber of manpower available in the service, and (d) the materials (money and equipment) provided. Without these essential inputs, it will be unrealistic to expect much from the public servants (Anifowose and Enemuo, 1999; Agbebaku and Fagbemi, 2014).

Badagry Local Educational District (BLED): This connotes a sub-branch of the State-Ministry of Education established in each of the 20 Local Government areas of Lagos State. The BLED sub-branch of the State Ministry of Education is in charge of monitoring and supervision of all activities of secondary schools (teaching and non-teaching) within BLED. The appointed administrative head of BLED happens to be a Director of Education who reports back to the State Secretariat of the Ministry of Education, at Alausa, Lagos State. As of May 2021, there are thirteen (13) public secondary schools in BLED of which two of these schools (Badagry Grammar School and Lagos State Model College, Kankon), are boarding schools while the remaining 11 operates the day system. The schools take directives from the District Head who represents and coordinates the affairs of the 13 secondary schools in Badagry district on behalf of the State Ministry of Education. The 13 public secondary schools within BLED are (1)Ajara Grammar School, Ajara, (2)A.D.S. Grammar School, Badagry, (3)Araromi Ilogbo Secondary School, Oko-Afo, (4)Badagry Grammar School, Badagry (5)Government College, Ajara – Badagry, (6)Ikoga Grammar School, Ikoga, (7)Iworo-Ajido High School, Iworo, (8)Kankon Secondary School, Kankon, (9)Lagos State Model-College, Kankon-Badagry, (10)Methodist High School, Badaqry, (11)Sito Gbetrome Secondary School, Gbetrome, (12)State High School Ibereko and (13)Topo - Grammar School, Topo – Badagry (Agbebaku, 2004; P.P-Tescom, Badagry, 2021; Agbebaku and Majebi, 2021).

3.0 Research Methodology

Study Area: The study area is Badagry Local Educational District (BLED) situated within the Badagry Local Government Area of Lagos state. The study area lies within Latitude 6°12'N and 6°32'N and Longitude 2°32'E and 3°32'E of the Greenwich Meridian. BLED was established in 1989 by Edict N0.5 of the State Post-Primary Teaching Service Commission (PP-Tescom, Badagry, 2021). The mandates of BLED include: appointment, promotion, transfer, dismissal, and discipline of all teaching and non-teaching staff of public secondary schools within its areas of jurisdiction. The commission has among others, the following functions: (i) to maintain comprehensive and up-to-date personal records for the teaching service of the state (ii) to assess the qualification and placement of teaching and non-teaching staff, subject to a uniform standard (iii) to ensure that only qualified professional teachers register with the state registrar of teachers, and (iv) to assess and supervise the activities of zonal offices within the Local Education District (LED) in all the Local Government areas of Lagos State. In term of administrative functions, BLED is headed by a Director of Education (D.E) who controls, coordinates and supervise the administrative functions of the Commission. The Director further reports to the Permanent Secretary of the Post-Primary Teaching Service Commission at the State level. Schools within BLED had uncommon teaching staff strength which from a minimum of 17 to 52 per junior and senior school with boarding schools having the

largest staff strength. On average a total of 35 staff per school comprises junior and senior secondary schools (P.P-Tescom, Badagry, 2021).

Research Methods: This paper is purely an empirical study. Materials used for this study include the use of tables and the design of questionnaires and these formed the research instruments. Primary data were collected from the field of the survey through questionnaire administration and granted interviews from the office of BLED and some selected staff of the 13 public secondary schools. Other primary data required and their sources for this study include; data on the population of teaching staff in both junior and senior 13 secondary schools and these data were sourced from BLED. While data on the socio-economic activities of teachers were sourced from permanent staff members of the 13 secondary schools within the study area. For this study, a total of One Hundred and Eighty-Two (182) copies of questionnaires formed the sample frame from a total of 891 teaching staff within BLED. Questionnaires were administered in the 13 secondary schools within Badagry's local educational district using systematic random sampling techniques. In each of these schools, some selected teaching staff from junior and senior sections was administered with the questionnaire to solicit information based on the objective of the research. To this end, in each of the 13 secondary schools, 14 copies from a total of 182 questionnaires were administered to both junior and senior schools. From these numbers, 7 copies of each of the questionnaires were administered to permanent staff and the remains to non-permanent staff. That is 7 copies to junior and 7 copies to senior schools respectively.

Furthermore, out of the 7 copies per junior and senior school, 4 copies of the questionnaires were administered to male teachers and 3 to female teachers. Given these, selection of teachers for questionnaire administration was done, based on the duration of service, the essentiality of subjects thought and workloads. To this end, priorities were given to general subjects such as; mathematics, English, biology, agricultural science, government and economics for senior categories and subjects like mathematics, English, integrated science, home economics, verbal reasoning, introductory technology, and civic education for junior categories. Some teachers from JSS1 and SS1, JSS2 and SS2, JSS and SS3 were used for questionnaires administration. In addition to this were granted interviews with some teachers and staff of BLED. The study made use of the two-tailed and descriptive statistical techniques of tables and discussions to analyze the results. On other hand, secondary data was sourced from documentary materials such as literature and academic journals.

4.0 Results and Discussion

The results from questionnaires administration and tests of hypotheses carried out on the influence of welfare incentives on employee's productivity and job security; a case study of Badagry, LED was summarized and presented in the Tables below. Table 4.1 to 4.10 shows the results and discussion of the study and how these results were presented and discussed respectively.

Table 4:1

Socio-Economic Characteristics of the Respondents

QUESTIONNAIRES RETURNED	NUMBERS	PERCENTAGE
	182	100%
SEX:		
MALE	107	59.30%
FEMALE	75	40.70%
AGE:		
25 – 30	32	18.28%
31 – 35	54	30.32%
36 – 40	18	09.30%
Above – 40	78	44.19%
MARITAL STATUS:		
SINGLE	84	48.84%
MARRIED	108	51.16%
QUALIFICATIONS:		
N.C.E	64	31.21%
H.N.D.	24	13.95%
B.Sc./ B. A/B. ED	84	43.21%
M.Sc./M. A/M/BA/M.P. A	20	11.60%
Ph.D.	00	00.00%

Source: Field Survey, 2021.

Results from Table 4.1 revealed that 59.30% of the respondents were male, while 40.70% are female. The results also revealed that 51.16% of the respondents were married couples while 48.84% of them were in the single category. The Table further shows that 18.28% of the teachers were between the age of 25 and 30 years. 30.32% were between 31 and 35 years, while 09.30% and 44.19% of them were within the age groups of 36 to 40 years and above 40 years respectively. In addition, their educational qualification varies from National Certificate of Education to Postgraduate Degree holders as Table 4.1 revealed that 31.21% of the respondents were N.C.E. graduates, 13.95% were Higher National Diploma (H.N.D) graduates while B.Sc./BA/B.ED holders of degree certificates present constitute 43.21% while master's degree holders constitute 11.60% of the respondents.

Table 4.2
Socio-Economics Characteristics of the Respondents:

QUESTIONNAIRES RETURNED	NUMBERS	PERCENTAGE
	182	100%
LENGTH OF SERVICE (Year):		
0 – 4	60	34.88%
5 – 9	36	20.93%
10 – 14	32	18.61%
15 – 19	28	16.28%
20 and Above	46	31.30%
GRADE LEVEL:		
07 – 08	96	61.63%
09 – 10	52	30.23%
12 – 14	24	04.65%
15 – 17	06	03.49%
Total		100.00%

Source: Field Survey, 2021.

Results from Table 4.2 revealed that 34.88% of the respondents have been in the teaching profession for less than 4 years. 20.93% of the teachers have spent between 5 to 9 years in the service. 18.61% and 16.28% of the respondents have been in service for a period of 10 to 14 years and 15 to 19 years respectively. Only 31.30% of the respondents have been in the teaching profession for 20 years and above. Regarding the grade levels of respondents, the results revealed that 61.63% of the respondents were on grade levels 07 and 08. The implication of this is that these categories of staff were new on the job and had not been elevated. 30.23% of the despondence was on grade levels 09 and 10. Those on grade levels 12 and 14 of the respondents represent 04 - 65%. While the remains of 03.49% of the respondents were on grade levels 15 and 17 respectively. From personal interviews granted on questions relating to teacher's perception of motivational factors, job satisfaction and job security about their present job, the study revealed that majority of the teachers appears to dislike their job basic on the poor salary structure and working conditions while those who actually like the job were very few. The results further show that the likes for the job could be attributed to the periods they have for themselves mostly during holiday periods such as the periods of a long vacation, security and safety of the job. Tables 4.3 and 4.4 below respectively illustrate findings of motivational factors on welfare services and welfare services.

Table 4.3:**Motivational Factor of Welfare Services Affecting Productivity and Job Security of Teachers**

Welfare Services	Score	%	Rank
a. Staff Office and Conducive Environment	46	28.33%	7
b. Medical Facility	40	27.72 %	6
c. Transportation Facility	18	07.61%	2
d. Housing Facility	20	10.20%	3
e. Recreational Facility	12	04.05%	2
f. Canteen Facility	23	11.04%	5
g. Others Facility	23	11.04%	5
Total	182	100%	28

Source: Field Survey, 2021.

Results from Table 4.3 revealed motivational factors of welfare services in the hierarchy as presented by staff of the teaching profession in the study area. The results show that certain welfare services as mentioned above affect productivity and job security. For this reason, 46(28.33%) of the respondents indicate the desire for better staff offices and a conducive environment that would improvement and enhancement of staff productivity and job satisfaction. This is followed by 40(27.72%) of the respondents that indicate the desire to improve medical facilities for them and their families in case of health challenges. The duo of 23(11.04%) of the respondents indicates the desire for an improved canteen and other facilities that will help and go a long way to enhance productivity and job security in the teaching profession. 20(10.20%) of the respondents indicate the need for housing facility for teachers at low cost and that the housing units should be in categories and distributed according to grade levels just like what is obtainable with the military circle. Furthermore, 18(07.61%) of the respondents indicate the need for transport facility as this will enable teachers to be punctual to duties, enhance productivity save the cost of wear and tire, while the remains of 12(04.05%) of the respondents indicate the need for a recreational facility for teachers and students' wellbeing, as all works and no play lessen the morale of teachers. Teachers need to be involved in recreational activities with students periodically to diversify their thought away from learning and on recreation activities as obtainable in advanced countries where students combine education with sporting activities.

Table 4.4:

Motivational Factor of Welfare Incentives Affecting Productivity and Job Security of Teachers

Welfare Incentives	Score	%	Rank
a. Good Salary Structure	76	15.87%	1
b. Job Security	53	11.06%	4
c. Nature of Work	32	06.68%	9
d. Hours of Work	33	06.89%	8
e. Welfare Scheme and Loan Facility	60	12.53%	2
f. Leadership Style and Qualities	40	08.35%	7
g. Promotion Prospects	45	09.39%	6
h. Labour Union	33	06.89%	8
i. Working Conditions	55	11.48%	3
j. Pension on Retirement	52	10.86%	5

Source: Field Survey, 2021.

Results from Table 4.4 revealed motivational factors of welfare incentives on hierarchical order as presented by staff in the study area. The total response to all these motivational factors amounts to 479 scores. The percentage of each factor was obtained by dividing the responses for the factor by the overall total and then multiplying by 100. For instance, the percentage of good salary structure was derived as follows $[(76/479) * 100 = 15.87\%]$. To this end, motivational factors via incentives such as good pay, job security, hours of work, labor unions, and promotion prospects were considered factors of analysis for this study. Given these, fair and adequate compensation for employees is unquestionably one of the most significant elements in the maintenance of a satisfied and efficient workforce. This agrees with the findings of Maslow (1954), Anifowose and Enemuo, (1999) and Agbebaku (2004), that money is an instrument for gaining desired outcomes. Furthermore, finding the study of Bennet (1981), confirmed this view as pay increment plays an important role in inducing people to work. Bennet added that an increment in pay-rise may therefore symbolize the hopes and ease of ways of life of the individual. Monetary rewards are therefore seen variously by different people as either the sole reason for going to work or choice and need for them to work. The study shows that there is a strong feeling about the poor enumeration structure of the teaching profession. For this reason, 15.87% of the respondents desire to see a re-structure and well-modified salary structure. On the other hand, job security refers to how long a job can be held by an employee. In public service such as that of the teaching profession, an employee's appointment is hardly terminated except for gross offenses or professional misconduct of the employee. From Table 4.4 about 11.06% of the respondents considered job security as one of the areas of motivation that needs to be improved to enhance their job satisfaction while some are calling for the extension of the length

of service. Furthermore, the factor on nature of work embrace working hours and job contents. Concerning working hours, teaching hours starts from 7.30 am and terminates at 2.00 pm on work day of the week except on holiday periods and the likes. This timing structure provides teachers with the opportunity to engage in other profitable activities after their working hours. In this respect, only 06.68% of the respondents ascertained that the nature of work hours needs improvement. In addition, the value of welfare schemes in any organization lies in the interest of the organization in its employee's needs and problems serve as a motivator to the employees to have a sense of commitment to the organizations' objectives and be satisfied with their job. In the study, 12.53% of the respondents are of the view that welfare schemes and loan facilities for teachers generally deserved improvement. They believe that if this area of employee needs is revisited to enhance employees' job satisfaction and productivity, there would be a positive change in teachers' perception and productivity of their job.

In another development, pay-rise, promotion and fringe benefits as an extrinsic reward system have the greatest impact on quality of work-life and organizations' effectiveness. Since promotion follows a recognized plan and procedure, it is a recognized fact that when an employee remains too long on a post, they may begin to feel bored, disappointed and even frustrated. To establish confidence that advancement is based on ability, the promotional plan for teachers must be improved. The proportion of the respondents who supported the idea of improving the present promotion procedure in the teaching profession were 09.39% and this agrees with the findings of Lawler (1981) and Agbebaku and Majebi(2020). Furthermore, the freedom of employees to organize and unionize and discuss their common problems and pursue collective interest is paramount to the success of any organization's employer and employee relationship. In the teaching profession, there exists a National Union of Teachers (NUT) with district branches at local and state levels with the mandate of seeing the affairs of teachers in areas of industrial relations. Furthermore, the study shows that the union needs to be strengthened to be able to represent its members effectively. To this end, 06.89% of the respondents fall into the category of teachers that felt an improved labor union and approval of professionalization of the teaching profession would enhance their job satisfaction and productivity. In addition, the certainty of one retiring after a long service with a pension to fall back on enhances job satisfaction and job security. However, 10.86% of the respondents felt dissatisfied with the present pension schemes and would want to have a review and positive change of quick response of teachers after retirement. Furthermore, the proportion of respondents in favor of the factors of good leadership style constitute (08.35%), working conditions constitute (11.48%) and hours of work constitute (56.89%) respectively.

Table 4.5 :**Respondents on Job Security:**

	RESPONSES	NUMBERS	PERCENTAGE (%)
I	“YES”	182	100.00%
II	“NO”	0	00.00%
Total =		182	100.00%

Source: Field Survey, 2021

Results from Table 4.5 shows that all respondents indicate “yes” and acknowledged job security of the profession as 182(100%) ascertained this. By indication, this means that the high level of job security of the profession compared employees to the profession but that this is more applicable to public service. In addition, this could be some of the more reasons why some teachers are contented with the job even with poor pay, incentives and services and job dissatisfaction.

Table 4.6**Motivational Factors of Welfare Incentives and Mean Scores.**

S/N	Welfare Incentives	Mean Score
1	Medical Facilities	1.79
2	Subject (Science) Allowance	1.77
3	Housing Allowance	1.68
4	Transport Allowance/Staff Bus	1.54
5	Game and Recreation Allowance	1.56
6	House/Class Teacher Allowance	2.42
7	Rural - Riverine Allowance	1.73
8	Effective Cooperative Society	2.63
9	Staff Office	2.74
10	Employer-Employee Relationship	1.89
11	Promotion Prospect	1.76
12	Leadership Style	1.86
13	Pension on Retirement	2.26

Source: Field Survey, 2021.

Results from Table 4.6 revealed that welfare incentives as part of motivational factors from despondences indicate that the need for better staff offices had the highest mean score of 2.74. This is followed by an effective cooperative society and this constitutes 2.63. In addition, and hierarchical order outside the first two incentives, the mean score for house/class teacher allowance was 2.42 while pension on retirement constitutes 2.26 and employer-employee relationship was 1.89 from the Table. Based on the research findings, it was concluded that good salary structure and effective welfare programs are the important motivational factors for secondary schools' teachers. In addition, it can be deduced that other motivational factors such as; job security, hours of work, better working condition and good leadership styles, games and recreation and rural and riverine allowances are other strong factors influencing job satisfaction and productivity of teachers in the study area. However, from the Table, the mean scores for the motivational incentives are above the average mark of 1:50. Tables 4.7 and 4.8 shows respondents' choice for a change of career and other essential levels of motivation.

Table 4.7:**Respondents Choice for Change of Career:**

RESPONSES		NUMBERS	PERCENTAGE (%)
I	“YES”	29	16.28%
II	“NO”	153	83.72%
Total =		182	100%

Source: Field Survey, 2021

Table 4.8:**Respondents Level of Motivation (Salary, Job Satisfaction and Job Security)**

RESPONSES		NUMBERS	PERCENTAGE (%)
I	“YES”	28	19.77%
II	“NO”	154	80.23%
Total =		182	100%

Source: Field Survey, 2021.

Results from Tables 4.8 and 4.9 shows respondents' choice for the need for a change of career and level of motivations respectively. From Table 4.8, the study revealed that 153(83.72%) of the respondents indicate “no” to a change of career while the remains of 29(16.28%) indicates “yes” for change. From the Table, the percentage of those that indicate “no” were those that were pleased with

the job in spite the poor level of motivation but are satisfied with others indices such as nature of the job, working hours, job satisfaction, holidaying periods and job security. On the other hand, result from Table 4.9 shows that 154(80.23%), indicate “no” to the level of motivation (salary, job satisfaction and job security) indicating that they are not satisfied with the present means and levels of motivational incentives while the remains of 28(19.77%), indicate to “yes” indicating that these sets of respondents considered their current financial status, job satisfaction and security to be satisfactory based on a combination of nature of job done, working hours and holiday periods.

Test 1:

Relationship Between Financial Incentives and Productivity

Table 4.9: There is no Correlation between Financial Incentives and Productivity.

VARIABLE	N	MEAN	S: DEVIATION	Z.CAL
Financial Incentives and Services	182	1.58	1.25	
Productivity	182	1.49	0.86	

Source: Field Survey, 2021.

$$Z = \frac{X_1 - X_2}{\sqrt{\frac{(SD1)^2 + (SD2)^2}{N}}}$$

$$Z = 0.05690 \text{ (N=0.92)}$$

$$N = 0.92$$

$$\text{Degree of Freedom} = 364 - 2 = 362.$$

$$\text{Level of significance} = 0.05$$

$$Z \text{ Calculated} = 0.05$$

$$Z \text{ tabulated} = \pm 1.96.$$

Results of Test 1 from Table 4.9 show the relationship between financial incentive and productivity of teachers in BLED. The two-tailed test at 0.05 level of significance and 362 degrees of freedom, the Z calculated score (N=0.92) is within the range of Z while the tabulated score was (± 1.96). This implies that there is no correlation between financial incentives and productivity in the teaching profession of employees in BLED. This summation agrees with the findings of Agbebaku and Majebi, 2021.

Test 2

Relationship Between Job Security and Productivity

Table 4.10: There is no Correlation between Job Security and Productivity

VARIABLE	N	MEAN	S: DEVIATION	Z.CAL
Job Security	182	1.65	0.94	
Productivity	182	1.49	0.86	

Source: Field Survey, 2021.

$$Z = \frac{X_1 - X_2}{\sqrt{\frac{(SD1)^2 + (SD2)^2}{N}}}$$

$Z = 4.9292$ ($N = 4$)
 $N = 4$
 Degree of Freedom = $364 - 2 = 362$.
 Level of significance = 0.05
 Z Calculated = 4
 Z tabulated = ± 1.96

Results from **Test 2** from Table 4.10 show the relationship between job security and productivity of teachers in BLED. The two-tailed test at 0.05 level of significance and 362 degrees of freedom, the Z calculated score (4) is outside the range of Z tabulated score (± 1.96). This implies that the null hypothesis is rejected, while the alternative hypothesis is accepted, that is to say, that there exists a relationship between job security and productivity of employees in BLED. This summation agrees with the findings of Maslow's, 1954; Obiajulu and Obi, 2004 and Agbebaku 2004. The results from Table 4.10 of Test 2, revealed that welfare services and incentives on employee's productivity and job security in BLED are likely to be influenced by the strong mean item scores as obtained and presented in Table 4.6 by respondents of employees from the 13 secondary schools in BLED on the mean score on motivational factors under welfare incentives and services as drawn from questionnaire administration.

4.0 Conclusion and Recommendation

Motivational incentives enhance employees' productivity and job satisfaction. Intrinsic factors on motivation enhance job satisfaction while extrinsic factors bring about job dissatisfaction. In economic terms, these motivational indices can be termed as the "push and pull factors" that enhance job satisfaction, productivity and job security. The theories of motivation by Abraham Maslow and

other scholars are still relevant in modern-day motivational factors of employees. Maslow's theory is associated with the theory of intrinsic motivation. In view of these, priorities should be given to the indices of motivational factors and professionalism of the teaching profession on a routine upward review of the salary structure of teachers among other motivational incentives for enhancing productivity and job satisfaction. Secondly, the conditions under which teachers work in the study area need improvement. In addition, other areas needing urgent attention in this regard include the provision of improved staff office, toilets, canteen, staff bus and loan facilities. Furthermore, good staff canteen, well-equipped staff clinic and housing accommodation, the recreational facility should all be given utmost attention. Although this current administration of President Mohamadu Buhari has approved professionalism of the profession via; improved salary structure, welfare scheme and extension of retirement age for teachers at the Federal level, it is hoped that the various state government(s) in Nigeria and Lagos, in particular, would emulate this benevolent gesture that is aimed at motivating teachers, enhancing job satisfaction, productivity and job security of the profession. Based on these summations, it is recommended that efforts need to be intensified towards the identification of individual needs because the drives to fulfill these needs energize individual behaviors that lead to motivation and productivity.

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NEXUS OF DOMESTIC DEBT ON INFRASTRUCTURAL DEVELOPMENT IN NIGERIA.

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ABSTRACT

The study examines the nexus of domestic debt management on infrastructure development in Nigeria. The specific objective of this study is to ascertain the impact of domestic debt on capital development in Nigeria within a period of ten (10) years from 2011 to 2020. The researcher adopted ex-post facto research design, (time series analysis). The model used government capital expenditure (GCE) as the endogenous variable for capital expenditure while Treasury bill (TRB), Treasury certificate (TC) Treasury bond (TB) represents the exogenous variables. The results indicated that the variables are significant except Treasury bill, but only Treasury certificate has strong relationship to capital expenditure. Domestic debt was found to be a significant determinant of infrastructure development. The study recommended that government should embrace sustainable domestic debt management, and effective utilization of resources, through effective and efficient implementation of projects and programs

INTRODUCTION

The evolution of government borrowing in Nigeria can be traced back to the financial reform introduced by the colonial administration in 1958 which led to the creation of marketable public securities to finance fiscal deficit. Paragraph 35 of the Central Bank of Nigeria ordinance 1958 states that the bank shall be entrusted with issue and management of federal government loans publicly issued in Nigeria upon such terms and conditions as may be agreed within the government and the bank

The debt crisis has continued notwithstanding the policy measures aimed at bringing it under control. It has also brought with it an ever-increasing level of unemployment, heightened inflation, capacity underutilization, and over dependence on the oil sector among others. Succinctly put, Nigeria's debt stock is increasing without a clear and visible economic growth path, stability and development. It has become obvious that she may not attain the needed level of economic development without first

taking into consideration the consequences of her debt burden on the economy.

It is a globally acknowledged fact and that most developing countries are faced with the scarcity of funds to finance major infrastructural projects in their countries. As such, they usually have to resort to borrowing funds (both external and domestic sources) which had always served as veritable financial platforms for many developing countries of the world in running their economies, on the condition of judicious use of loans for the intended projects. Borrowing creates debt and debt either from multilateral, bilateral, commercial and others sources, is the aggregate of all claims against the government held by the private sector of the economy or by foreigners, whether interest bearing or not less, any claim held by the government against private sectors and foreigners (Oyejide, Soyede and Kayode, 1995).

African heritage policy brief 2018, shows that in 2017 Nigeria's debt burden from multilateral borrowing accounted for 47% of total debt, bilateral accounted for 18%, commercial accounted for 26%, and others sources accounted for 9% respectively. Technically, debt serves as barriers to economic growth and welfare in most parts of the world. Since accumulating debts by the developing countries is a situation they must leave with to achieve enhanced infrastructural facilities, most development economist are now advocating for "favourable debts". A favourable debt is one in which the capital acquired has the potentials of high leftover after deducting the cost of loan. In this situation, the debts will be financing economic growth, increasing the infrastructural capacity and expanding output of the borrowing country (Pattilo, Ricci, & Poirson, 2011). The term infrastructural development on the other hand is used to denote a state of improvement in the general status of the basic physical and organizational structures and facilities such as buildings, roads, and power supplies needed for the operation of a society or enterprise. Hence, these basic physical and organizational structures and facilities as already exemplified are referred to as infrastructures. Thus, infrastructural development include the provision, construction, improvement and rehabilitation of capital and productive projects like roads, airports, hospitals, education and research institutes, power development, human resources development, improved security, among others, in consonance with international standards. In sub-Saharan Africa countries, financing developmental plans are heavily tied on foreign loans, a typical example is the 1st to 3rd developmental plans of Nigeria (Jacob 2004).

It is as a result of this and other luxury-seeking attitude of leaders in these countries that have made the countries to have a heap of external debt to a level that it is unsustainable, as they never propel the needed economic growth that could finance the repayment or to service them. Economists believe that borrowing is healthy for infrastructural development and may help to maintain economic growth and development, but reverse is the case in Nigeria. Unfortunately, the realities on ground including the required infrastructure and the debt accumulated between 2006 till date did not show any correlation we observed. Moreover, it's

been so long now since Nigeria celebrated the repayment of Paris Club debt.

The narrative back then was that paying the debt will free up cash that will be channeled towards capital expenditure and then usher in the economic boom we have craved for decades. Even the present administration since 2015 claims that it has no choice than to borrowing more to finance deficit budget, instead what we got was a higher spending on recurrent expenditure, limited capital expenditure and a lot of stolen wealth, we are somewhat back full circle. However, statistical evidence has shown that Nigeria total domestic debt astronomically rose from 9.6 trillion naira in 2015 to 10.6 trillion naira, 15.93 trillion naira, to 16.7 trillion naira 2016, 18.83 trillion to 348 billion naira 2018, 30.17 trillion to N33. 107 trillion in 2019 and 2021 in March with GDP ratio of 12.8% in 2015 and 23.27% presently.

Problem of Statement

In recent time, Nigeria has borrowed large amounts internally, often at highly concessional interest rates with the hope to accelerate development through higher investment, and thus foster economic growth. It is therefore noticeable that Nigeria's indebtedness has gone beyond reasonable limits required to realize desired goals and produce debt-free or less debt burden which will enhance economic process with a resultant reduction of poverty level. Recent financial statistics showed that Nigeria's debt had been on the increase over time. According to the Debt Management Office, debt stock stood at N7.421 trillion bringing the total public debt to N8.5 trillion without state government debts, which stood at N1.6 trillion as at December 2013 and N7.42 trillion at the top of June 2014 as compared to N7.18 trillion at the top of first quarter of 2014, representing 3.3 percent upsurge in the first half of the year. This planetary increase has continued persistently as the debt rose to 12.83trillion and N35.5 trillion in 2020 and 2021 respectively.

In spite of her continued penchant for loans, Nigerian economy is still characterized by low per capita income (one of the lowest in the world), high unemployment rates, dwindling economy, inadequate basic amenities, poor infrastructural development, falling growth rates of GDP and recently rated the poverty headquarters of the world. In addition, the Nigerian economy dipped into avoidable recession between 2016 and 2017, which is a testimony of poor management of borrowed funds.

The reliance by the federal government on borrowing from the banking industry, chiefly by the CBN, to finance its large and untenable fiscal deficits has affected the expansion of the Nigerian economy undesirably. This has delayed the attainment of macroeconomic stability and sustainable economic development in Nigeria. Additionally, it has jam-packed the private sector from the credit market, thereby delaying investment and output development.

Due to the identified continuous rise in Nigeria's debt profile without a clear and visible economic

stability, reduction in poverty/ unemployment, and poor economic growth over the years, this Paper examines the impact of domestic debt management on infrastructural development in Nigeria.

The broad objective of the study is to determine the nexus of domestic management on infrastructural development in Nigeria. The specific objectives are to:

- i) Examine the nexus of Treasury bill on Government capital expenditure in Nigeria
- ii) Assess the Treasury Certificates on Government capital expenditure in Nigeria
- iii) Determine the nexus of Treasury Bonds on Government capital expenditure in Nigeria

In line with the objectives of this study, the following hypotheses are formulated:

H₀₁: Treasury bill have no significant nexus on Government capital expenditure in Nigeria

H₀₂: Treasury Certificates has no significant nexus on Government capital expenditure in Nigeria

H₀₃: Treasury Bonds have no significant effect on Government capital expenditure in Nigeria.

2. Review of Related Literature

Domestic Debt

Domestic Debt is debt that originates from within a country (James, Magaji, Ayo & Musa, 2019). Domestic debt refers to debt owed to holders of government securities such as treasury bills and treasury bonds which represent government borrowing through issuance of securities, government bonds and bills (Babu, Kiprop, Kalio & Gisore, 2015). Domestic debt in Nigeria is usually acquired through debt instruments such as treasury bills, treasury certificates, treasury bonds, development stocks, FGN bonds, Promissory notes. The other debt instruments introduced in Nigeria with effect from 2017 include: FGN Sukuk, FGN Green Bond and FGN Savings Bond. According to Babu (2015), the two major reasons why governments choose to borrow domestically include: when there is excess projected expenditure over immediate external debt servicing obligation.

Infrastructural Development

Adequate infrastructure boosts a nation's success through economy growth, production diversification, population growth sustenance, dipping poverty and enhancing environmental conditions. The high rate of population growth in sub-Saharan Africa has negatively impacted economic growth based on the poor state of infrastructure in developing countries such as Nigeria, and efforts to grow the economic have proven abortive. One of the most important limiting factors to economically growth and the achievement of the millennium development goal Strategies (MDGs) in several developing countries is the lack of infrastructure. It was argued that investment in infrastructure caused more than fifty percent of the improved growth performance and increment in businesses in Africa between year 1990 to 2005. Infrastructure development is vital in the maintenance of growth and alleviation of poverty the socio-economic development of a nation can be accomplished by appropriate planning of infrastructure.

Infrastructure most times is grouped into two main classes: social infrastructure (education, waste disposal plant, sporting facilities, health, recreation and housing) which boosts the quality of life (human capital) and has multiple consequences on the economy. The enhancement of human capital will guarantee innovation, invention and advancement of productivity in the economy. The quality of social infrastructure, according to a recent World Bank survey affects urbanization which is directly proportional to gross development product. Secondly, physical infrastructure such as roads, electricity and telecommunication leads to economic growth and development of any country. Africa is blessed with immense potentials which involves clean energy resources like solar, hydropower, biomass, geothermal, compressed natural gas, and wind, these problems still linger because investment have been drastically inadequate in the procurement new facilities and maintenance of existing infrastructure leaving many African countries with insufficient electricity service, poor quality roads, port, railway and inadequate information communication technology (ICT) (Oyejide 2014). Infrastructure can be described as the foundation on which other super-structures are built, specifically the economic and institutional infrastructures Infrastructural investment returns are very profitable with an average of thirty to forty percent (30-40%), above forty percent (40%) and eight percent (8%) for telecommunication, electricity generation and road investment respectively. Africa to have met the MDGs in 2015, (Agenda 2030 has over taken the MGDs) about fifteen percent (15%) of GDP would be invested in infrastructure. A report by stated that \$14.2 billion would be invested annually in infrastructure in order to meet the infrastructure target for Nigeria apart from the involvement of private investors. It is evident that the foundation upon which sustainable development goal in developing countries can be built on is infrastructure among many other things.

Treasury Bills and infrastructural development

Treasury bills are short-term sovereign debt securities maturing in one year or less. They are sold at a discount and redeemed at par. These bills are by nature, the most liquid money market securities and are backed by the guarantee of the Federal Government of a nation. The Federal Government of Nigeria, through the Central Bank of Nigeria, issues Nigerian Treasury Bills to provide short-term funding for government budget deficit. The treasury bills are usually issued through a competitive bidding process, quoted and traded on FMDQ's platform (FMDQ,2019). Treasury bills are debt instruments used by the federal government to borrow funds for short periods of about three months pending the collection of its revenues.

Following the Treasury bill Act of 1959, No 11 which took effect from 19th of March 1959, Treasury bill first public issue in Nigeria was made on April 7, 1960. The tremendous achievement made in the process gave a boost that led to the issuance of further monetary debt instrument of this nature (Anyanfo, 1993). At the moment, the allotment of treasury bills are issued

via an auction – based system and in multiples of ₦1000.00 per tender, its subscriptions are usually sold through official dealers.

Treasury Certificates and infrastructural development

A treasury certificate was a debt security issued by the United States Treasury, with maturities of less than one year and which was sold at par, the certificates were not issued after 1975 (Accounting tools, 2018). Treasury certificates are medium term government securities which have a maturity of between one to two years. It serves as bridge between treasury bills (Short term instruments) and long term government stocks. Treasury certificates were introduced in Nigeria in 1968 and are similar to treasury bills in all respects, except that the tenure is different. Both instruments are eligible for rediscount at the secondary market. Treasury certificates have played a major role in the development of the money market in Nigeria. The instrument has also assisted government in meeting its financial needs, especially during the civil war years and the reconstruction period of the 1970's. Further issuances were suspended in 1975 due to excess liquidity in the system occasioned by the oil boom. The TC.s were again introduced in 1976 as a result of pressure on government finances.

Treasury Bonds and infrastructural development

Bonds issued through the government are called treasury bonds. These bonds are issued to help the government pay off debts and to fund infrastructural development. Of all the bonds, these have the lowest returns or yields. However, government bonds are exempt from local and state taxes and they are lower in risk if you hold them until they mature (Your Dictionary, 2019).

Theoretical framework

Keynesian Theory

This is an economic theory named after John Maynard Keynes. This theory is based on the concept that active government intervention is required in economic management for the economy to grow and stabilize. The Keynesian economists view capital accumulation as a catalyst to economic growth. During depression, a combination of monetary policy and fiscal policy may be applied by government. Monetary policy requires Central Bank of Nigeria to reduce interest rate to commercial banks and the commercial banks were expected to do the same to their customers. Fiscal policy entails government investment in infrastructure which creates business opportunities, employment and demand. The reduction of interest rate and provision of infrastructure allow more funds in the hands of investors. During fiscal deficit, external borrowing could be a source of fund. This means that Keynesian theory which viewed capital accumulation as a catalyst to economic growth is supportive of external loans Asogwa, (2015).

This research work was anchored on Keynesian theory which viewed capital accumulation as a catalyst to infrastructural development. This is so, since getting domestic loan amount to accumulation of capital targeted towards infrastructural development.

Empirical Review

A number of research works have been carried out in relation to the effect of external debts on the economy. Were (2001) examined the magnitude and structure of Kenya's external debts and its impact on economic growth and private investment using time series data of 1970-1995. The result showed that external debt accumulation has a negative impact on economic growth and private investment. Similar studies were conducted by, Atique and Malik (2012) in Pakistan using data between 1980-2010 which showed a negative relationship between domestic debt, external debt and economic growth respectively. Pattillo, Helene and Luca (2004) study covered 61 countries for the period between 1969-1998 with negative relationship between external debt and economic growth as the outcome.

Ogege and Ekpudu (2010) and Ezeabasili (2011) carried out similar research in Nigeria with the same negative relationship results. Similarly, Ali and Mustafa (n.d) analyzed the short and long run impact of external debt on economic growth in Pakistan for the period 1970-2010. The short run analysis was done using error correction method while the long run estimation employed co- integration analysis. The result showed that external debt exerts significant negative impact on economic growth, signifying the existence of debt overhang in Pakistan.

Fosu (1996) tested the relationship between external debt and economic growth in Sub- Saharan African countries over the period 1970-1986 using O.L.S method. The result revealed that GDP is negatively influenced via a diminishing marginal productivity of capital. It also found out that on the average, a highly indebted country faces about a percent reduction in GDP annually. Choong, Lau, Liew and Pauh (2010) examined the impact of different types of debt on economic growth in Malaysia using time series 1970-2016. Co-integration test was applied in which the finding suggested that all components of debt have a negative effect on long run economic growth.

3. Research Method

The research design for this work is ex-post factor research design. It is a time series study. Data relating to the variables were extracted from where they have been documented. Secondary data were collected from Central Bank of Nigeria Statistical Bulletin 2020. Data were collected from CBN statistical Bulletin, on Nigeria's Treasuring bills, Treasury Certificates, treasuring bond and Capital Expenditure, for a period between 2011 to 2020

Multiple regression models was used to analyze the collected data, this was to establish a functional

relationship between Capital Expenditure as dependent variable and Treasuring bills, Treasury Certificates, Treasuring bond as independent variables. The data were computed with the use of STATA 12.

The model for this is adopted and modified from (Akpan and Ukpong, 2014). Consequently the model for this study is stated as follows.

$$GCE = F (TRB, TC, TB,) \dots\dots\dots\text{estimation} \quad i$$

$$GCE = \beta_0 + \beta_1 TRB + \beta_2 TC + \beta_3 TB + \mu \dots\dots\dots\text{Equation} \quad ii$$

Where:

GCE = Capital Expenditure and represent the dependent variable

TRB=Treasuring Bills

TC= Treasury Certificates

TB = Treasuring bond

Ut = Stochastic error term

μ = Error term.

The model is expressed in estimation form as follows:

4.0 Data Analysis and Discussion of Findings

4.1 Descriptive Statistic

Table 4.1 reports the descriptive statistics of the dependent and independent variables for the panel period from 2011 to 2020. The table presents the mean, minimum, maximum and standard deviation for the panel data variables for the period from 2011 –2020.

Variables	Mean	Std. Dev.	Min	Max
GCE	11.3	14.4	2.3	45
TRB	56.2	37.2	25	213
TC	7.8	2.6	3	13
TB	9.8	1.7	5	17

Source: compiled (2021) Stata 12.

Table 4.1 shows that our measure of infrastructural development though capital expenditure has an average value of 11.3 with standard deviation of 14.4, and minimum value of 2.3 and 45 as the maximum value. The standard deviation of 14.4 signifies that the data deviate from the mean value from both sides by 14.4, implying that there is no wide dispersion of the data from the mean because the standard deviation is less than the mean.

The table also indicates that the total treasuring bill (TRB) has an average value of 56.2% with standard deviation of 37.2%, and the minimum and maximum value of 25% and 213% respectively. This shows that the data is widely dispersed from the mean in the sample data.

The table also indicates that our measure of treasuring certificate has an average value of 7.8 with standard deviation of 2.6. While the minimum and maximum values which are 3 and 13 respectively. This implies that TB was about 1.1% during the period of the study and the deviation from the mean is 1.1%. The summary descriptive statistics in Table 4.1 shows that on average the treasuring bond (TB) during the period of the study is around 7.8% with standard deviation of 1.7%, the minimum and maximum values of tenure as measured by dichotomous variable are 5 and 17 respectively. This implies that the data in the sample data deviate from the mean by 1.35%.

Table 4.2: Results of the test of Variance Inflation Factor/Diagnostic Tests

Variables	VIF	1/VIF
TRB	1.11	0.903
TC	1.09	0.915
TB	1.06	0.942
Mean VIF	1.09	

Source: compiled (2021) Stata 12.

The table 4.2 shows how much of the variance of a coefficient estimate of a regressor has been inflated due to collinearity with the other regressors. As observed, none of the variables have VIF's values exceeding 10 and hence, none gave a serious indication of multicollinearity. As for 1/VIF, is used to check on the degree of collinearity. A tolerance value lower than 0.1 is comparable to a VIF of 10.

Table 4.2 : Result of Linear Regression valves Analysis for fitted of GCE

GCE	Coef.	Std. Err	t	P > t/	[95% conf. interval]	
TRB	-.015	.045	-.0.04	.972	-.0925	.089
TC	2.990	1.418	2.11	.041	.134	5.847
TB	-2.413	1.188	-2.03	.048	-4.806	-.020
Prob > F				0.034		
R - Squared				0.144		
Adj R-Squared				0.088		

Source: compiled (2021) Stata 12.

The regression result shows that treasuring bill has a negative association with infrastructural development, which mean, an increase in treasuring bill per #1 causes 1% decreases in infrastructural development in Nigeria. Large size of domestic debt is normally associated with a higher risk of losing the treasuring bill, as a result of its significant attached to it. Although, we can say that treasuring bill is not statistically significant to infrastructural development, because our $p > t$ is greater than our 5% (0.05) significant level. According to our result above, prosper and regular borrowing of debt will not result to infrastructural development.

Treasuring certificate (TC) has a positive relationship with capital infrastructure development on the economy in Nigeria, concerning the coefficient of 2.990 which mean that treasuring certificate statistically significance at 5% significant level. This implies that when government spend on additional treasury certificate, there is an increase of 29% on the infrastructure development in Nigeria during the period of the study.

Table 4.2 also shows that treasury bond (TB) has a significant positive impact on the infrastructure development in Nigeria, considering the coefficient of -2.413 which mean that treasuring bill has no relationship with infrastructure development through capital expenditure but is significant at 5% level of significance, (p-value of 0.048). This implies that when government borrow additional debt, treasuring bond decreases by 24%. It also suggests that borrowing debt can be impactful in other sector, but on infrastructure development it does impair treasuring bond in the economy of Nigeria during the period of the study.

5. Conclusion and Recommendations

This study has provided evidence on the impact of domestic debt on infrastructure development in Nigeria using STATA version 12. It is clear from the analysis that increases in treasuring certificate and treasuring bond in Nigeria positively affected capital expenditure but with minimal impact. Treasuring bill coefficient however was statistically insignificant in its government capital expenditure. The following are the policy implications of the findings of the study:

Debt management policy maker in Nigeria should also endeavor to explore and vigorously implement the concept of domestic debt as a financing option for economic infrastructure. This will reduce the pressure and overreliance on government foreign debt financing and provide the impetus for local and foreign private sectors to participate in economic activities. Future studies can consider disaggregation of domestic debt variables as well as their relationship with other components of the economy, both at the national and subnational level.

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**EVALUATING THE RELATIONSHIP BETWEEN SUSTAINABLE
AGRICULTURE AND CLUSTER EXCELLENCE IN
KWARA STATE: A QUALITATIVE APPROACH**

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ABSTRACT

Nigeria diversification of economy from crude petroleum dependency to other sectors of the economy, particularly agriculture has led in improvement schemes such as agribusiness clusters. Notwithstanding the frightening food security crisis with a growing population becoming increasingly dependent on imported foods, the activities of Fulani cattle rearers, over politicization of agricultural programmes, the dominant subsistence-oriented farm economy, insecurity, paucity of funds and credit, labour scarcity despite overall high unemployment and stagnant technology which had crippled the sector development. The study consequently evaluated the thematic link between sustainable agriculture and cluster excellence in Kwara State, Nigeria. The study population comprises of the twelve clusters who are beneficiaries of the Anchor borrowers Programme. A qualitative approach using focus group discussion was adopted using three groups that were purposively selected. The study found out that clustering businesses along value chain and geographical clusters result in job creation, community development and income generation. The study recommended that enabling environment should be created to enable the clusters perform these fundamental roles. It is also recommended that concentration of businesses in the same geographical location leads to economy of scale in production.

Keyword: Agribusiness, Cluster Excellence, Innovation, Sustainable Agriculture, and Value Chain.

INTRODUCTION

In spite of the politicization of the agricultural projects by the decision and policy makers in Nigeria, the sector has shown resilience and strong dynamism in absorbing many initiatives and remained the major stay of the economy despite the finding of oil. Interestingly, the international economy, globalization and politics are spinning, swirling and moving with astonishing speed exactly like the globe. As a result, the production systems have considerably imposed work, concentrated resources and knowledge which are maintained on partnership basis to accomplish efficiency. One form of such collaboration among medium-sized corporate entities is to work in clusters.

The evolution of clusters as a recognized business model was formed because of the vital role they play in fostering innovation, regional development and competitiveness. There are evidences stating that in the presence of universities, research centres and supporting structures, geographical concentration of companies has a good effect on the economic performance of persons living inside the area.

The expanding evidence of small company clusters in developing nations competing in local and global marketplaces had fuelled much of the governmental interest in fostering clusters. Consequently, many African countries such as Nigeria want their regions to be the next 'Silicon valley'. They are especially keen to proclaim the birth of a cluster in a hot industry, particularly agriculture (Chatterji, Edward & William, 2013). (Chatterji, Edward & William, 2013). Moreover, entrepreneurial initiative programs have become increasingly popular tools for stimulating innovation and expansion of a competitive private sector in developing nations, such as Nigeria, Ethiopia, Kenya, Ghana, Egypt and a host of others. Although, the usual model of cluster focuses on enterprises positioned beside comparable businesses to benefit from networks, specialized infrastructure and economies of scale (Bagley, 2017) (Bagley, 2017). Nonetheless, the Nigerian models have taken an evolutionary approach to examining cluster development. Specifically, clusters arise in the form of agglomeration of cooperatives comprising of various small and medium enterprises (SMEs).

In Africa, agribusinesses are largely in traditional and labor-intensive sectors in rural and disadvantaged urban regions (Merima, Olivier, Holger & Adnan, 2017). (Merima, Olivier, Holger & Adnan, 2017). Abdulazeez, Ajonbadi and Otokiti (2014) remark that all around the world, governments are progressively shifting their focus to encouraging the clustering of agricultural Small and Medium Enterprises in order to promote the sustainability. Study such as Chinedu, Uzochukwu and Obiageli (2014) had equally emerged on cluster of entrepreneurs in Africa; Yaba cluster in Nigeria, Konza cluster in Kenya and Hope City in Ghana emerged almost the same time. This indicates that clustering is a critical aspect for the survival of small-scale farming in an ever-

changing and increasingly complex global economy. Agribusiness clusters work in a complex and dynamic context as they are part of the bigger collection of people including the farmers, suppliers, traders, transporters, processors and many more. Each of these has a function to play in generating items and transferring them to the market along the value chain. Beyond this, effective clusters are technically skilled, imaginative and plan ahead to shepherd their enterprises through the stages of enterprise development from establishment and survival to rapid growth and maturity. For clusters to cope with the dangers in the complex world wherein they compete, they need to establish an entrepreneurial spirit. Clusters with entrepreneurial spirits actively, excitedly and methodically make different decisions about enterprises in the framework of the value chain that determines the productivity of the firm.

Reports from World Bank, (2012); Reardon, Barrett, Berdegue & Swinnen (2009) ; Zeng (2008) suggest the potentials for agribusiness clusters to stimulate growth in farmer incomes, foster sustainable increases in crop yields, support market chain expansion, and contribute to socio economic development goals of the country. However, the evidence base for evaluating the potential for agribusiness-based initiatives to contribute to sustainable, pro-poor, smallholder-oriented economic growth remains poorly implemented in Nigeria. This is due to the fact that, cluster development in the agricultural sector, which constitute the bedrock of the Nigerian economy has not been given needed priority by policy makers in Nigeria. Even though agriculture had been identified as a veritable means to set Nigeria's economy on a path of rebirth and recovery, following the woes that have bedeviled the country's economy in recent years. Indeed, agriculture is essential to Nigeria's quest for economic diversification and survival (Economic Growth Recovery Plan [EGRP], 2017).

Research Objective The study assessed the correlation between sustainable agriculture and cluster excellence in Kwara State.

Literature Review

Concept of Clustering

The notion of cluster was initially coined by Michael Porter when he used it in his seminar paper “Competitive Advantage of Nations to describe the concept of “Economic competitiveness” and what it stands for (Aaron, Glaeser, & Kerr, 2013) (Aaron, Glaeser, & Kerr, 2013). This spurred other scientists and academia to begin to put forward their own definitions of clusters and clustering. Porter (2000) who defined the entrepreneurial phenomena described clustering as a philosophy based on the key ideas of integration (of operations) and collaboration for mutual gain. These benefits come at three levels; individual personal level, sector or regional level and wider economy level. Salau (2020) viewed cluster as spatial concentration of industries which obtain advantages

through co-location. Porter (1998) earlier presented a larger view on cluster when he described it as a “geographical concentration of inter-connected enterprises and institutions in a specific field”. In this regards, cluster can be viewed as array of linked industries and other entities important to competition. Entities such as suppliers, manufacturers customers etc. porter (1998) further explained that clusters often expand downstream to channels and customers and finally to manufactures of supplementary items and to enterprises in industries associated by functions, skills, technologies and values. Chinedu, and Orogbo (2014) described cluster initiative as an organized efforts aimed on the increase of growth and competitiveness of a cluster in the region with the participation of cluster enterprises, government and research community.

Sustainable Agriculture

The subject of Sustainable Agriculture was first addressed by the United States Congress in 1990 "Farm Bill" [Food, Agriculture, Conservation, and Trade Act of 1990 (FACTA) (FACTA). According to Pretty (2008), under that statute, "the word sustainable agriculture indicates an integrated system of plant and animal production practices with a site-specific application that, over the long term; Satisfy human food and fiber needs; Enhance environmental quality and the natural resource base upon which the agricultural economy depends; Make the most efficient use of nonrenewable resources and on-farm resources and integrate, where appropriate, natural biological cycles and controls; Sustain the economic viability of farm operations; and Enhance the quality of life for farmers and society as a whole.

Pretty (2008) further says that the purpose of sustainable agriculture is to meet country's food demands in the present without compromising the ability of future generations to meet their own needs. Basically, sustainable agriculture attempts to incorporate three basic objectives; a healthy environment, economic profitability, and social and economic equality. Stakeholders involved in the Agribusiness; farmers, food processors, distributors, retailers, consumers, and waste management play crucial role in creating a sustainable agricultural system. Developed economies have accepted the feeling of urgency and direction referred to by the sustainable agriculture concept (Gliessman, 2005). (Gliessman, 2005). As a result, sustainability has become an intrinsic component of many government, commercial, and non-profit agriculture research activities, and it is beginning to be integrated into agricultural policy in developing nations. Although, increasing numbers of farmers and ranchers have launched on their own paths to sustainability, incorporating integrated and innovative ways into their own companies.

Cluster Excellence

The ability of clusters to generate high economic performance is typically characterized as cluster

excellence. Cluster excellence can be characterized in terms of cluster development, added value, productivity and innovativeness (PricewaterhouseCoopers [PWC], 2011). (PricewaterhouseCoopers [PWC], 2011). Therefore, there is no doubt that cluster excellence counts, and the key problems of scholars and practitioners refer to the techniques of achieving it.

Productivity is seen as a proportion of the output volume and the volume of inputs. It assesses how efficiently inputs utilized in production, such as labour and capital, are being utilised in an organization to achieve a certain amount of output. It also allows analysts to calculate capacity utilization, which in turn allows one to gauge the position of economies in the business cycle and to forecast economic growth. In addition, production capacity is utilized to analyze demand and inflationary pressures (Njuki, Bravo-Ureta & O'Donnell, 2018).

An innovation is the implementation of a new or significantly improved product (good or service), a new process, a new marketing method, or a new organizational method in business practices, workplace organization, or external relations (GII, 2017). This concept parallels the evolution of the way innovation has been perceived and understood over the years. Economists and policy makers traditionally concentrated on R&D-based technological product innovation, mainly created in-house and in most cases manufacturing industries. This sort of innovation was performed by a hugely educated labour force in R&D-intensive corporations. The process leading to such invention was envisaged as closed, internal, and localized. Technological improvements were fundamentally 'radical' and took place at the 'global knowledge frontier'. This categorization implies the existence of leading and lagging countries, with low- or middle-income economies only catching up.

Theoretical Review

The study is centered on the dynamic capacities theory. The Dynamic Capabilities (DC) literature is very recent and focused largely on ecosystem and cluster performance. The conceptual developments were put up by (Ambrosini & Bowman, 2009; Barreto, 2010; Di Stefano et al., 2010; Zahra, Sapienza, & Davidsson, 2006). (Ambrosini & Bowman, 2009; Barreto, 2010; Di Stefano et al., 2010; Zahra, Sapienza, & Davidsson, 2006). Although there is considerable consensus that this theory is relevant to the development of new capabilities in dynamic environments, the research did not focus on how these capabilities are generated within the ecosystem. Teece (2007) introduces the notion of micro foundations of DC, which stresses the significance of identifying the firm's borders in order to manage complementary assets and platforms when developing a business model.

More so, the idea is more appropriate to industries subjected to rapid technological change, resulting in the creation of new technologies that do not acquire industry domination. Firms in clusters tend to be small or medium sized enterprises (SME) specialize in specialized activities or specific areas of the value chain (Sserwanga & Rooks, 2013).. (Sserwanga & Rooks, 2013). The cluster literature is in accord on the importance of semi-public resources (accessible to cluster enterprises) for the

performance of the individual cluster companies and the cluster as a whole (Zahra et al, 2006). (Zahra et al, 2006).

Empirical Review

In a study conducted by Fatai, Omotayo, Oluwole, Omisade and Akeem (2018) on the use of proximity approach of economic geography with its spatial dimension (geographic) and their non-spatial dimensions (social, institutional, cognitive and organizational) to shed light on the determinants of networking with other organizations utilizing the Chile economy. The purpose of the study was to evaluate if networking is a determining factor for corporate innovation (innovation networks) (innovation networks). The study also established a distinction between technological and non-technological improvements. The study employed a quantitative technique to investigate case of 312 companies in a cluster of agribusinesses in (Chile) which is an emerging economy. The proposal model and its interrelations were tested with exploratory factor analysis, confirmatory factor analysis and structural equation modeling. The results of the study showed that cognitive-organizational proximity was a favorable factor of business networking with other organizations, although social and institutional proximity were negative determinants. The study showed that for business managers, it is beneficial to network with organizations that are similar in terms of cognitive and organizational levels for creativity. At the same time, it is required develop methods to eliminate the social and institutional barriers to cooperation, notably in the agriculture sector.

Huanmei, Zubielqui and O'Connor (2015) studied the entrepreneurial networking capacity of enterprises in utilizing common resources in clusters to achieve market performance in Australia. They described clusters from a social network perspective and networking capacity as the capacity of enterprises in coordinating relational-based resources to generate increased performance and build competitive advantage. They were able to add to social network theory and resource based view, cluster theory and describe how clusters influences the resource based Competitive advantage. The research evaluated the influences of regional shared resources obtained from entrepreneurial networking capability on firm market performance using primary data collected from the 65 wine regions in Australia and tested the offered assumptions using structural equation modeling. They observed that the specific functions of different types of cluster shared resources in increasing company market performance.

Douglas (2021) examined the spatial patterns of drought and socioeconomic variables between 2000 and 2010 within the Brazilian Semi-arid. The study discovered five well-defined socio-environment clusters displaying distinct characteristics: developing cluster, demographic gains cluster, stalled cluster, socio-environmental problems cluster and undeveloped cluster. The results demonstrate that there are extensive areas in the Brazilian Semi-arid that necessitate development strategies and substantial structural adjustments. Policies for development and poverty alleviation

based largely on raising income will not always have an immediate influence on other crucial social variables such as mortality and illiteracy rates. Multidimensional methods and multiscale initiatives including cooperation among all levels of government (local, state and federal) are important to solve this vicious loop combining environment constrains with poverty and poor development levels. Finally, the study found that integrating socioeconomic, demographic and environmental data is crucial to understanding development trends throughout the Brazilian Semi-arid.

Methodology

The research is exploratory in nature. The advantage of exploratory research is that it is easier to produce new findings due to the less rigorous methodological limits. The population comprise of beneficiaries of the Federal Government Anchor Borrowers Programme in Ilorin Metropolis. The programmes has twelve registered clusters in each senatorial districts of the state. The study employed focus group discussion which is often used in a qualitative method to acquire an in-depth understanding of social phenomena. The approach acquired data from a carefully selected set of discussants instead of a statistically representative sample of a broader population. Focus Group Discussion (FGD), being a contemporary technique applied to gain insight into the dynamic relationships related to cluster performance and projected human activities was used. Three groups were purposively selected based their level of education and experience in cluster administration. Each of the groups comprise of ten participants in line with the principles establishing the clusters. The clusters were made up of group of ten members of the same cooperative societies.

Thematic Analysis

The focus group discussion is analyzed thematically. Therefore, the following findings, for which each theme answered each research question, anchored on the relationship between sustainable agriculture and cluster excellence in Kwara State. Focus group discussion (FGD) is commonly used as a qualitative approach to gain an in-depth understanding of social phenomena. The approach acquired data from a carefully selected set of discussants instead of a statistically representative sample of a broader community. Focus Group Discussion (FGD), being a contemporary technique employed to obtain insight into the dynamic interactions associated to cluster performance and projected human activities was adopted. Its adaptability to situations determined crucial towards comprehending the psychological and behavioural qualities of stakeholders was taken into mind. It provided ascertainment of ambivalence connected to sustainable agriculture and cluster excellence.

Cluster Excellence

Public private Partnership(PPP), Common Facility Centre and Internalization of Agribusinesses emerged in Figure 1 as strategies of achieving sustainable agriculture through cluster excellence in Kwara State.

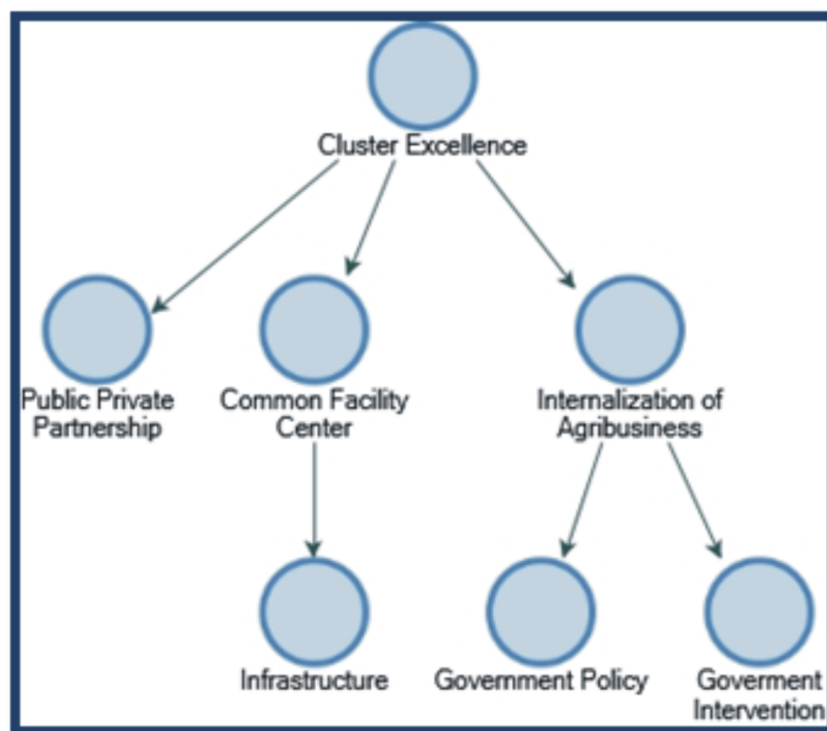


Figure 1: Analysis of Cluster Excellence

Source: Author's Field Survey (2021)

Public Private Partnership

Responding to how sustainable agriculture may increase agribusiness cluster members from Group 1, 2 and 3 said that via Public and Private Partnership activities, cluster growth, innovation and development can be reached. For instance, participant submit thus: *“in the design of machines private organization can partner with government establishment such as NCAM, NISPAN and ARMTI on fabrication and storage structure when farming have bumper harvest”*. **Pat1FGD1**, added that:

Because of income deficiency among the clusters individuals, partnership of off-taker and government agencies, can prevent wastages, commercial banks can also generously be a part-taker (**Pat1FGD1**).

Although, pat2FGD3 suggests that *“the population of Nigeria is so large that it's impossible for government to subsidize agric inputs, the issues of subsidy only amount to exploitation and corruption. Clusters can hardly able to acquire all the resources; partnership of private organizations clusters and government establishment that will minimize costs and enhance growth”*.

In corroborating the above perception, pat2FGD3, submits:

“The farmers have parochial attitude because of the decay in our infrastructures, there is decline investment in going to farming. However, introducing private organizations like mandating banks to go into agribusiness” (pat2FGD3)

Similarly, pat2FGD2 submit that

“Cluster growth can take several forms in terms of capital, outputs and machines storage. The intensity of the capital has necessitated the symbiotic relationship between the government, private organization and the clustered entrepreneurs. Private organization can finance the business at an agreed ratio” (pat2FGD2).

Impliedly from this, PPP initiatives is one of the strategies of assuring cluster excellence and by implication, and to some extent however, aided accomplish cluster growth and innovation in Kwara State. Naoum (2003) perceives Private public partnerships (PPP) arising when two or more entities in the public or private sector establishes a new cooperative relationship based on mutual trust, rather than being characterized by a hierarchical structure.

Common Facility Center

The contributions of pat3FGD3, pat2FGD3 and pat2FGD2 exposed the study to provision of common facility center as means of achieving cluster excellence through the provision of infrastructure. This is supported by UNIDO (2014) which states that Worldwide, one of the most widely used practices to support Cluster Development is through the provision of Common Facility Centers (CFC). The CFCs provide a common pool of machinery/equipment, testing and inspection services and process technology related services for the collective up-gradation of clusters. The Agricultural firms use these facilities for improving quality and adding value addition to their products or processes. To confirm this, pat3FGD3 suggests that *“lack of infrastructural facilities such as poor road network, expensive communication and expensive training which attached to agricultural practices. The greatest initiatives should be the provision of facilities for agribusiness to thrive”* the respondents are shown in fig. below

Internalization of Agribusiness

Internalization of Agribusinesses were inferred from the reactions of pat4FGD3 and pat3FGD3. Specifically, pat4FGD3 states it as so; I strongly believe that when our Agribusinesses are internalized like the SMEs it will produce jobs for our teaming people. How do I mean by internalization, Government should classify agribusinesses under an agency that would ensure that the issue of small and medium size farmers are taken care of.

This was corroborated by pat4FGD3 which states that;

“Agriculture has gone beyond planting and cultivation of crops or rearing of animals. Agribusiness is a business and it is still seen as what government must supplement. Insufficient Capital which is an age long challenges that is still unresolved by different government funding or intervention policies. The cluster initiatives partly solve these challenges” (pat4FGD3).

Discussion of Findings

The study studied the relationship between entrepreneurial endeavors and cluster excellence (cluster growth, productivity and innovation) (cluster growth, productivity and innovation). The qualitative research found private public collaboration, shared facility center and internalization of agribusinesses. Public sector partners help decrease risks encountered by cluster enterprises through several measures, including financial contributions of up to 100 percent in some situations, supply of scientific research services, provision of managerial experience and acting as anchors. The study also agreed that the shift to PPP was necessitated by increasing dilapidation of public infrastructure, fiscal constraints as the government sought alternative sources of investment funding, the need to eliminate bureaucratic inefficiencies in government projects, the search for a viable alternative in the face of rising public debt, and rising demand for public services in the face of increasing population and strong economic growth. While many governments have typically restructured public utilities without including the private sector, it has become an increasing trend to seek funding and expertise from the private sector in order to alleviate fiscal constraints and boost efficiency by involving the private sector. Governments increase their possibilities for delivering better services and improving the economic multiplier effects of engaging the private sector by delegating certain responsibilities to it. This is consistent with Douglas's (2021) and Fatai *et al* (2017).

CONCLUSION AND RECOMMENDATIONS

The study therefore concluded that sustainable agriculture is strongly correlated to cluster excellence in several ways as depicted from the responses of the various clusters under the anchor borrowers programmes initiated by Federal Government of Nigeria.

Cluster excellence is exemplified by cluster development, productivity, and innovativeness as a result of specific entrepreneurial endeavors. As a matter of policy, policymakers in Kwara State should establish an enabling environment for public-private partnerships to prosper. The topic of PPP remains foreign to our cluster system; yet, research has revealed that most advanced nations of the

globe have been able to ease government engagement by involving the organized private sectors to brag cluster excellence. According to the study, tight collaboration between public and private sector partners in the project can help to design a shared strategy and pool efforts and resources that are necessary for an effective project.

Cluster excellence is depicted by cluster growth, productivity and innovativeness resulting from certain entrepreneurial initiatives. The policy makers should as a matter of policy create an enabling environment for public private partnership to thrive in Kwara State. The issue of PPP still looks alien to our cluster system, findings has shown that most advance nations of the world were able to ease government involvement by involving the organized private sectors to boast cluster excellence. The study recommends that tight collaboration between public and private sector partners in the project can aid in the development of a shared plan and the pooling of efforts and resources that are required for the efficient delivery of various services and supports within the cluster. The report also suggests that agribusinesses be clearly distinguished from other enterprises and given high priority.

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ONLINE COUNSELLING IN NIGERIA: BENEFITS AND CHALLENGES

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ABSTRACT

This paper is on the benefits and challenges of online counselling in Nigeria. Online counselling also known as e-counselling is a new and beneficial method of helping individuals work through life's challenges and issues without being in the same physical proximity of their counsellors through the use of information and communication technology. The use of information and communication technology around the globe has come to stay. The rate of spread is very high in all facets of life and counselling profession is not left out. The application of computer technology to counselling procedures is gradually creeping into every society including Nigeria. The traditional face to face, office visits will be partially disappearing with time though cannot be entirely replaced online counselling or e- counselling

This paper therefore explains the concept of online counselling and the characteristics of users. It highlights the importance or benefits of online counselling and x-rays how it works., it further discusses the issues and challenges facing this mode of counselling in Nigeria. The paper concludes that in spite of the challenges of online counselling, It should be embraced to be in line with the global best practice and reach those that cannot be reached through the traditional face to face counselling. Finally, the paper suggests some recommendations like integrating online counselling into the curriculum of trainee counsellors and retraining the already practicing counsellors to embrace online counselling.

Key words: online, counselling, benefits, Challenges.

Introduction

Today in the world, the use of information and communication technology (ICT) is the 'in-thing'. ICT is virtually used or employed in all aspects of human endeavour. ICT which refers to all communication technologies, including internet, wireless networks, cell phones, computers, software, middleware, video conferencing, social networking, and other media applications and services(..) has come to stay as the activities is rapidly expanding as it has taken over almost all the activities of life. In fact, there is hardly any activity of life in the world today that is not involved with

the use of ICT. For instance, you may have noticed how the majority of your tasks can be accomplished online, including shopping, paying the bills, wiring money, or order takeout. Before the Internet, however, you had to leave the house if you wanted to take a bus and walk to a specific destination, now, just call an Uber from your smartphone! Many services can be done without leaving your home, and counselling psychology is not far behind in following this technological hype. According to Onuekwusi and Onuekwusi in Nwachukwu, Ugwuegbulam and Nwazue 2014, the use of computers appear to be more pronounced in the field of education as it is used in teaching, learning and evaluation processes. Similarly collaborating with this view, Singh cited in Ukegbu and Udechukwu (2011) noted that computer technology has impacted on education what he described as the administrative application of computers and the instructional situations of computer applications in the fields of budgeting and monitoring of finances, keeping students records, maintaining statistics, students billing, preparation of payroll, bill and date ledger, mailing of scores, and monitoring material production register. He also enumerated other benefits of its use to include pre-testing of students' knowledge on enrolment, planning and printing individualized programmes, monitoring students' progress and compiling test and scores which could be stored in the computer.

The introduction and use of ICT for counseling which is an educational service in Nigeria is therefore not a surprise. Nigeria has slowly joined its counterparts worldwide in the race for online counselling. This means counselling of clients using the ICT or electronic platform. Online counselling involves the use of e-mails, internet phones, chats, sms and video conferencing in counselling clients. There is no face to face communication when one is engaged in online counselling. There is a physical separation between the counsellor and clients, in order words, it is distance counselling.

The idea of distance communication provided by a counselor to a client is not a new phenomenon as the famous psychologist Sigmund Freud during his time commonly used letters to communicate with clients to provide vital support and assistance.

In the present day Nigeria with the increased rate of use of internet for most of our activities especially among the youths and the elites, lots of insecurities, incessant lockdowns, financial constraints, the most dreaded covid -19 and many others, is online counselling important or beneficial to Nigerians and what are the challenges?

This paper therefore explores the concept of online counselling and how it works, the characteristics of its' users, the benefits of online counselling and the ethics of online counselling. It further discusses the challenges facing this mode of counselling in Nigeria.

The concept of online counselling.

For one to confidently talk about online counselling, the term counselling has to be understood.

So, **what is counselling?** Counselling is also seen Ekwe and Nwamuo in **Ezeribe, S N (2019)** as 'a relationship in which the counsellor and the client work co-operatively and collaboratively to find solution to problems. Counselling therefore means a help given to an individual or group of individuals who are in temporary distress by professionally trained personnel in order to overcome distress. It is a special relationship aimed at assisting people to become more fully aware of themselves and to adjust to changes in their environment.'

Similarly, Okoro and Odoemelam in **Ezeribe (2019)** views counselling as 'a process that focuses on enhancing the psychological well-being of the client, such that the client is able to reach his or her full potential. This is achieved by the counsellor facilitating one's personal growth, development and self-understanding which in turn empowers one to adopt more constructive life practices. From the above definitions, counselling can help you address issues causing you distress, help you understand yourself and help you achieve your goals.

What then is online counselling?.

Online counselling which also referred to as e-counselling, cyber-counselling, web counseling, internet counseling or tele-counselling, is professional counselling services and assistance which is provided through the internet. It is also called distance counselling. This type of counselling is one in which the counsellor is physically separated from the client. It happens when a professional counsellor talks with a client over the internet to render emotional support, mental health advice or some other professional services. This service can be said to be a qualitative element of human interaction that is duplicated in a virtual environment. Distance counseling is defined as the counseling approach that takes the best practices of traditional counseling as well as some of its own unique advantages and adapts them for delivery to clients via electronic means in order to maximize the use of technology-assisted counselling techniques (Ready Minds in Ukoha and Opara 2015).

According to Oboh (2020) "E-counselling seems to be a phenomenon within the counselling parlance. It is a modern means of communication between counsellor(s) and client(s) in sessions via internet within a stipulated period of at least once a week in a year or six months with a singular purpose of assisting clients in discovering themselves and making useful choices in relation to their educational, vocational and personal-social needs".

For Metonia (2011), it is a viable alternative source of help when traditional psychotherapy is not accessible. It is effective, private and conducted by skilled, qualified, ethical professionals.

For some people, it is the only way they can get help from a professional therapist though it takes time and does not happen in one e-mail exchange.

Typical means of providing online counselling include video conferencing, messaging (sms and

instant messaging,) phone calls including internet phones, emailing, and charting. Online counselling can be synchronous (video conferencing and live chats) and asynchronous (messaging and emailing) in nature. Asynchronous communication has the potential to enable deeper reflection by both the client and counsellor before responding to messages (Richards and Vigano 2013), which can allow clients to process the implications of their thoughts before communicating them with the counsellor or the group. This reflective space can provide an opportunity to reflect on emotions and experiences and increase self-awareness and self-expression.

E-counselling follows the best practices of traditional counselling sessions, rapport building, assessment, including use of internet instruments, preparing the client for therapy concrete treatment goals, and planning, skills development and processing communication procedures between sessions and termination and follow-up contexts (Minds in Ukoha and Oparah 2015). While traditional counseling has not lost its streak, online therapy has started to gain ground, becoming more and more accessible and acknowledged by the general public.

Online counselling has some similarities with face-to-face counselling. You still engage in a conversation with a professional counsellor, with the intention of finding a way forward to deal with your difficulties. The dialogue with your online counsellor remains confidential, and you are free to terminate the counselling relationship at a time of your choice. The key difference between online and face-to-face counselling is that you use modern day technology to conduct the conversation and it can be carried out at a location and time to suit you.

E-counsellors are fully and professionally qualified and experienced in face to face counseling with additional training and experience in providing counseling by email (Nwankwo et al 2014).

According to Cherry (2021) Some of the conditions that can be effectively treated with online therapy include: Addiction, Anger management, Anxiety disorders, Bipolar disorder, Depression, Eating disorders Interpersonal relationship. Others are parenting concerns, bereavement support, birth parents' loss, adoption issues, reunion, infertility and pregnancy loss, parent-teen conflicts, separation, divorce, blended families coping with illness.

Online counseling has been shown to be just as effective as office-based counseling, which is what most people use. A voluntary feedback from an online client on the effectiveness of online counselling goes thus

“I started my journey with Donna not knowing what it is that I needed help with or what to really expect. I was in pain, that is all I knew for certain, and I threw everything at her. That was new for me. I have had face to face counseling experiences before with two other very kind professionals and with none of them I talked as much during the first sessions as I did with Donna. It felt super safe when talking with Donna. It is like her aura emits safety which penetrates the skepticism one might have with online counseling (it did for me). Apart from feeling safe, her great listening and non-

judgement skills kept me staying with Donna. I did think a lot about changing counselor once because I wasn't sure whether Donna could understand or help me with problems I was facing in regard to high sensitivities (HSP). However, my gut kept me away from it because of the three traits mentioned before. Till now, I have always wanted to get better very quickly (max. 1 month to get better and even that is too long), but with Donna I managed to learn with my heart slowly to let myself take time with the process of getting better. One more thing which I found amazing because I was not expecting that all, is Donna's ability to shed light on new perspectives on my deep, philosophical/complex writings. Sometimes just a short message from her on my writing makes me something new or helps me gets closer to a solution within me.” (<https://www.verywellmind.com/what-is-online-therapys>)

Research suggests that e-therapy is just as effective as traditional face-to-face therapy.(Gude, Subhedar, Zhang et al 2021) A review of 17 studies found that online CBT was more effective than face-to-face CBT at reducing the severity of depression symptoms. (Luo, Sanger, Singhal 2020)

Alia et al (2020) conducted a study on 'e-counselling process and skills: a literature review'. This systematic literature review applied PRISMA method where Inclusion and Exclusion criteria process are applied. The articles are retrieved from two databases, Scopus and Academic Search Complete, where finally a total of 25 articles were identified and reviewed. The findings from this study showed that there are many counselling skills and counselling process used in face-to-face counselling which are incorporated into online setting, along with addition of other skills, techniques and process which are prevalent in distant communication.

Another study on 'Online counseling using email: a qualitative study' by Amla et al (2015), was carried out to explore whether the online counseling relationship could be developed using email communication.

They used six qualified counselors and 59 clients who volunteered to participate in the study. Using a qualitative approach, they collected data from two focus groups, individual interviews with participating counselors, 206 email interactions, and counselors' journals. To identify themes, they employed a grounded theory method. According to them, the emergent themes suggest that counselors describe the e-counseling relationship as having the following five features: initial establishment of a virtual relationship, structuring, text reinforcement, the development of a text relationship, and termination of the process. Each feature reflecting a different level of relationship and different characteristics.

In spite of the recent growth of online counselling, the existing literature suggests that it does not pose a serious threat to face-to-face therapeutic services, as online counselling targets a different demographic, one that largely would never seek face-to-face counselling services (Murphy et al. in

Harris and Birnbaum 2014).

Online counselling is fast becoming a vital resource for assisting clients and therefore desired in Nigeria to add to the traditional face-to-face counselling to boost counselling services to reach the teeming population that should benefit from counselling activities

Characteristics of online counselling consumers

According to Pamela and Patrick in Nwachukwu et al 2014), users of online counseling are expected to have some characteristics which must be there to enhance the practice. They include the following-

- **Access to technology:** Any individual who wants to engage in e-counselling service must be computer literate. There must also be the availability of computer technology that will support communication with the provider.
- **Comfort with online communication:** The individual must also have a degree of comfort in using computer. For effective e-counselling communication, the individual should be very conversant with typing on the keyboard or/and making use of voice activated software.
- **Ability to express feelings and ideas in text format:** The client should have the ability of expressing feeling and thoughts in text format at a distance and outside a face-to-face encounter.
- He should have the **ability to compose thoughts, review text, and revise text** if so desired or “pause” between writing and sending messages to the counselor.

Pamela and Patrick in Nwachukwu et al 2014 were of the view that the time to privately think through expressions before communicating them to the counselor may be a significant attraction to online counseling especially for individuals who need greater control over the process of interaction or who may be struggling with issues of shame, perceived stigma or embarrassment about the topics being discussed.

- **The ability to engage in e-counselling relationship at any time of the day or night.**

Ethics of online counselling

The American Psychological Association (APA) offers a good ethical framework for the use of technology in mental health. According to Cherry (2021) these guidelines suggest the minimum practices and standards required for ethical online therapy. They include:-

- **Have a sufficient understanding of technology.** This includes how to use the tools required to deliver psychotherapy online and how to ensure that client information remains private and secure.

- **Work within their Scope of Practice.** Therapists should only offer services they are trained to provide. So if you reveal an issue to your therapist that they aren't equipped to treat, they should refer you to another therapist instead of trying to tackle it themselves.
- **Seek out training, knowledge, and supervision.** In order to provide the best care possible, most states require therapists stay up-to-date with the latest research and best practices. This can involve attending formal (college or university courses) and informal (workshops and conferences) training sessions, and seeking clinical supervision (either face-to-face or online) when needed.
- **Adhere to relevant laws and regulations.** Different states have different policies and regulations in place to manage virtual medical services. It's up to your therapist to know and follow the laws and guidelines specified by their geographic location.

Benefits of Online Therapy

The benefits of online therapy are many and not negligible. A few of them are:

Accessibility: There can be many physical barriers to getting to therapy. For example, maybe you live in a remote area. Or you don't have access to adequate transportation, meaning you have to rely on friends and family to get around. It therefore saves clients with limited mobility, time restrictions or anyone seeking help who is unable to see a counselor in person.

According to Speyer and Zack in Nwachukwu et al 2014, online counseling provides help to many who may not otherwise receive it. People in the remote areas, those travelling or re-locating in foreign countries, the physically disabled or housebound (or their caregivers) and those who are too busy in their work schedules benefit from the service.

Convenience: Nowadays it seems like everyone is just too busy to do anything. With online counseling, you do not have to worry about setting appointments to work around your schedule or taking time off work. You can literally email or text your counselor anytime of the day, any day of the week. online therapy makes it possible for you to schedule sessions that fit your life. You can schedule them around your work schedule and family obligations and this makes online counselling very comfortable and productive. Secondly, the counsellor may deal with pending text messages whenever some time is available, rather than having to wait until his client is physically present.

Privacy: With online counselling, you can enjoy complete privacy. You can schedule your sessions for when you're home alone. The worry that one person or the other will bump into the session or you bump into someone you know but wouldn't want to know you in a therapy is highly reduced because you decide where and when you want it. Again, the counsellor's physical absence reduces or even

eliminates the client's initial shame while presenting a problem. Some people feel that anyone seeing a counselor has a serious problem while some may be phobic, may be in abusive situations or merely shy and afraid to face the counsellor. It is good for those who feel uncomfortable attending traditional face to face support. The client feels free to express himself as he likes without reservations with online counselling. This makes therapy much more beneficial, taking into account that most clients have greater resourcefulness and courage to talk about things that they would typically shy away from face to face.

Anonymity and disinhibition

Online counselling offers clients the ability to communicate without fear of bias around race, gender, age, size or physical appearance. This anonymity may provide clients with increased disinhibition, allowing clients to be more open and honest in their expressions due to the stigma traditionally associated with seeking counselling services (Richards and Vigano 2013). Consequently, for some individuals, online interactions may be a safer place to discuss the most challenging and emotional aspects of their lives (Christensen et al. in Harris and Birnbaum 2014). In fact, anonymity and disinhibition have been shown to allow clients to feel safer and less vulnerable, stigmatized and embarrassed in counselling (Dowling and Rickwood 2013). This can also lead to increased feelings of safety and diminished vulnerability that can play a facilitative role in establishing and maintaining the therapeutic alliance. (Harris and Birnbaum 2014)

- **The psyche of the person is free for therapeutic self-reflection in many other ways:** Speyer and Zack in Nwachukwu et al (2014) are of the view that online counselors have found that text-based self-exposure can have the effect of inducing a high degree of intimacy and honesty from the first exchange of emails. They opined that beyond providing a sense of privacy, the disinhibiting effect of not being seen also allows the client to quickly hone in the core issue. In fact, clients present themselves in a 'naked' way, without presenting defense.

Challenges of online counselling

Though the online counselling is loaded with benefits and its Introduction into Nigeria is no doubt an important and gigantic venture yet it has some challenges which needs to be explored. Some of these issues and challenges as enumerated by Nwachukwu include the following-

- ❖ **Lack of trained e-counsellors:** In Nigeria, there are professionally trained and licensed counselors but three quarters of the population are not yet conversant with the skills and rudiments desired for internet counseling. Their lack of competency in the use of electronic services could deter them from relating effectively with clients who are not within their immediate reach. A counselor cannot be expected to counsel or operate on the website when he is not acquainted with the computer. Implementing e-counselling in Nigeria means that

every professional counselor/therapist must be computer literate and must have the desired extra training for counseling clients online. There is also lack of counselor competence in integrating e-counselling in their services.

- ❖ **Insufficient clients:** The numbers of people seeking for e-counseling are very minute in Nigeria. Importantly too, most clients are not computer literate too. Professional counselors may be willing to try e-counselling but there is a notable lack of consumer demand as expressed by Cherry, (2012).
- ❖ **Lack of e-counselling awareness:** Majority of the Nigeria populace have not heard about e-counselling not to talk of experiencing it. E-counselling has not actually been introduced in Nigeria and individuals have not recognized online counseling. Clients have not found it easy and are very naïve to meet counselors face to face not to talk of having online connection.
- ❖ **Financial constraint:** E-counselling involves the use of ICT related components which is never available to all counselors and not also affordable by every individual in Nigeria. This simply means that it will be long to have e-counselling services experienced and generalized in Nigeria. People may find it difficult to foot the bill of e-counselling charges that they will always resort to informal advice seeking.
- ❖ **Poor power supply:** Power supply throughout Nigeria is epileptic and the situation worsens daily while e-counselling depends entirely on good network facilitated by electricity. The power network usually disrupts communication and actual use of facilities for e-counselling.
- ❖ **Limited service:** It is not all cases that can be handled online. Cases involving threat to life such as violence, suicidal ideation, serious substance abuse or an immediate and urgent crisis are not handled online though online counseling can be used to initiate the relationship.
- ❖ **Time-delayed allows reflection but can also breed misunderstanding:** The absence of spontaneous response and clarification in online counseling is usually a constraint as both parties are trapped in delay from both ends.

Other challenges of online counselling include.

- **Poor facilities:**

Mishran in Nwachukwu et al(2007) expressed that the advantages of ICT are out of the reach of most developing countries, Nigeria inclusive. Where power and telecommunication facilities are poor, resources and well-trained personnel are also scarce and computers that can be used in service delivery are still problematic, everyone is limited from benefiting from e-counselling

- **Inaccessibility**

Though the use of online counseling may reduce some concerns surrounding accessibility (such as geographical concerns), these new forms of counselling could pose new accessibility challenges for

those who do not have access to technology or the ability to navigate the technology (Riemer-Reiss in Harris and Birnbaum 2014).

- **Problems with Delayed Communication**

As demonstrated above, synchronous online communication allows almost-instantaneous communication between the counsellor and client. However, the natural time delay in asynchronous communication can lead to potential anxiety for both the client and counsellor (Richards and Vigano 2013).

- **Problems in Communicating During Emergencies**

Online counselling lacks the ability to meet a client's immediate or crisis needs in the same capacity that face-to face therapy can.

- **Online Security**

Online counselling raises new challenges for confidentiality and security of client information (Jencius and Sager in Harris and Birnbaum 2014). This is an ethical issue. If therapy is not delivered across a secure, encrypted channel, third parties could access sessions or session notes. If a therapist uses an app that logs a user's IP address, this could also present confidentiality issues. Despite attempts at security programs to protect confidentiality and continual upgrades to technology, there are always breaches to technology where unauthorized individuals can intercept wireless signals and compromise what is thought to be secure information.(Harris and Birnbaum 2014)

- **Absence of Non-Verbal Behavioral Cues**

Traditional face-to-face counselling relies heavily on both verbal and non-verbal cues, such as tone, speech quality, personal hygiene, body language and appearance as a means of gaining insight into the feelings, behaviors and thoughts of clients (Baker and Ray 2011). Research has demonstrated that often the lack of verbal and non-verbal language creates communication challenges in online counselling (Bambling et al. in Harris and Birnbaum 2014).

Similarly, the lack of verbal and non-verbal cues has also been shown to reduce the emotional proximity of the client (Bambling et al. in Harris and Birnbaum 2014), and can also result in incorrect assumptions about client identity. Particularly in situations of cross cultural issues, a lack of verbal and non-verbal cues can leave the counsellor vulnerable to cultural insensitivity and unintentional discrimination, particularly in instances of short-term or asynchronous communication (Mishna et al. 2013).

Conclusion

The use of technology in counselling such as the internet and telephone is the new trend. Having gone through the concept of online counselling, its benefits and challenges, it is important to note that online has come to stay and should therefore be embraced by all to fit into this age of high ICT

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NEXUS BETWEEN CORPORATE GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY: A LITERATURE REVIEW

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ABSTRACT

Corporate entities are established to operate and generate returns for the shareholders and in the process, also provide for other stakeholders such as the government, communities, and the society at large. However, the corporate entities may not generate good returns in their operations if they deviate from implementing expected internal best practices and regulatory policies, which are inherent in corporate governance (CG). Impliedly, in the absence of good returns from their operations, these entities would neglect the interest of the other stakeholders, government, communities, and the society; prerequisite of corporate social responsibility (CSR). This study based on content analysis, investigated the relationship between corporate governance and corporate social responsibility. Results from the study revealed that in some corporate entities, both CG and CSR were accorded best practices showing a defined relationship between the two corporate obligations. On the other hand, the emphasis was on CG practices while the obligations towards the other stakeholders were neglected. This paper, therefore, recommends that good corporate governance practices be entrenched in operations of corporate entities while provisions should be instituted towards taking care of the needs and aspirations of the other stakeholders in the society.

Key words: Corporate Governance, Corporate Social Responsibility, Nexus, Stakeholders.

INTRODUCTION

There is a cliché that companies in their actions and dealings do not operate in a vacuum. They derive their operational resources (finances, employees, natural resources, and talents) from the society. They do utilize such productive resources to generate adequate returns on their shareholders funds, which ultimately go for them in form of dividends while some chunks are retained, statutorily and operational wise decisions, in advancing the actions and dealings of their business concerns. In the context of this, the agitations and demands of writers, press, opinion leaders and some practitioners arise calling on corporations to give back to the society; factoring in and providing for the interest of

other corporation stakeholders such as the government, citizens, communities, and the society at large. Herein arises the subject of corporate social responsibility (Ali, Sial, Brugni, Hwang, Khuong & Khanh (2020). As it were, the corporate entities may not generate adequate returns in their operations if they deviate from implementing expected internal best practices and regulatory policies, which are inherent in corporate governance (CG). Hence if the corporations cannot derive good returns from their operations, there is the tendency that they would neglect outrightly the varied interests of the stakeholders such as the government, the citizenry, host communities, and the society at large. This implies that there should be inherent nexus between corporate and governance (CG) and corporate social responsibility (Kammoun, Loukil, & Loukil (2020) .

Corporate governance refers to “set of formal and informal rules and structures that shape managerial decision and accountability” (Charreau & Desbrières, 2001). Relatedly, a gamut of “procedures and processes” on the basis of which a corporate entity is directed and controlled. Furthermore, the OECD (2004) postulates that corporate governance structure stipulates dispersal of rights and responsibilities for the various partakers in the organizational operations. These organizational participants refer to the board members, management team, shareholders as owners and other stakeholders in the society. Above all, the CG structure also incorporates rules and procedures for organizational decision-making.

Corporate social responsibility is all about corporations having regard to safe environment, social and community needs while enhancing stakeholders' interests by formulating informed decisions that always factor them in the loop. Furthermore, all the relevant CG codes also charge the Boards to “promote ethical culture and responsible corporate citizenship” and to “ensure that management act in the best interest of the shareholders and other stakeholders.” According to Beardsell (2008), some corporations entrench CSR in their vision, innovation and organizational designs as well as business strategies while fostering various forms of self-regulatory practices towards realizing stakeholders' interests in their operations.

There has been an array of studies on corporate governance (CG) and corporate social responsibility (CSR). However, there appears to be no consensus on the nature of the relationship between them and on how such relationship manifests in the operations of various corporate entities. Hence the paper attempts to investigate the nature of relationship between corporate governance and corporate social responsibility in the operations of various corporate entities across various economies around the world.

The other parts of this paper are used to present the objective of the study, literature review on CG and CSR, theoretical framework, empirical review, findings, conclusion, and recommendations.

OBJECTIVE OF THE STUDY

The study was carried out to investigate the relationship between corporate governance (CG) and corporate social responsibility (CSR).

Relatedly, the study has other objectives which include to:

Assess the models of CG;

Examine the various codes of corporate governance in different countries;

Evaluate the pillars and drivers of CSR; and

Investigate the models of relationship between CG and CSR.

LITERATURE REVIEW

Conceptualization of Corporate governance

A simple and concise definition of corporate governance (CG) is provided by the Cadbury Committee which states that it is a “system by which companies are directed and controlled”(Cadbury Report 1992). This very concise clarification of CG is all embracing because as observed by Lannoo (1999); Mallin, Mullineux & Wihlborg (2005). According to them, such exposition entails “a duality role” since it reflects twin perceptions of corporate governance. In terms of internal consideration, the exposition gives due recognizance to organizational internal controls and the board structure while in external terms, it recognizes the shareholder relationship. Above all, such contextualization is germane to position of the firms that are owned by private individuals wherein both the executives (agents) and the owners (principals) are, more than not, the same individuals (Crifo & Rebérioux (2016).

The Organization for Economic Cooperation and Development (2004) takes a holistic view in clarification of corporate governance. The OECD describes it as a gamut of “procedures and processes” on the basis of which a corporate entity is directed and controlled. Furthermore, the OECD posits that corporate governance structure stipulates dispersal of rights and responsibilities for the various partakers in the organizational operations. These organizational participants refer to the board members, management team, shareholders as owners and other stakeholders in the society. Above all, the CG structure also incorporates rules and procedures for organizational decision-making.

MacMillan, Money, Downing & Hillenbrad (2004) offer a broad view on CG wherein they posit that corporate governance emphasizes that managers should focus attention on firms' responsibilities to the various stakeholders that provide the firms with the productive resources for their survival, competitiveness, and success. Hence managers, under such context are primarily accountable to the stockholders whose wealth and fortunes are at stake. Above all, the managers are also responsible to the interests of “employees, suppliers, customers, and communities whose investments in the company are equally significant in other important respects” of the firms' operations.

In another view, corporate governance has been explained as the set of formal and informal rules and

structures that shape managerial decision and accountability. This definition raises the following two fundamental questions: what interests should the company serve? And how are top executives monitored? Over the last three decades, two alternative models, providing different answers to these questions, have been developed: the shareholder model and the stakeholder model of governance (Charreau & Desbrières, 2001).

Models of Corporate Governance

There are mainly two models of corporate governance such shareholder model and stakeholder model in respect of the conceptualization of corporate governance. The shareholder model also known as “financial or outsider-based model,” holds that the firm should be operated for the singular benefits of the stockholders. The conception of corporate governance, on the basis of this framework, is essentially in the dichotomy between providers of the capital funds and the managers as well as the contrast of interest between the two parties.

Such contrasting interests between those running the affairs of the companies and their owners assumes higher dimension when there exist “informational asymmetries” between the two groups. Furthermore, in such unhealthy scenario, it is also extremely problematic to entrench ideal organizational decisions owing to twin issues of moral hazard and adverse selection. Given this situation, the structure of shareholding becomes widely dispersed (Crifo & Rebérioux, 2016).

The notion of corporate governance therefore, concerns the regulations which embolden the stockholders to ensure that the companies for which they fund are run in accordance with their own best desires, particularly as far as quoted firms are concerned. In related terms, Shleifer and Vishny (1997) succinctly posit that the term corporate governance involves the means by which the providers of funds for companies' operations guarantee that they would earn some return on their funds. However, there arises the basic issue embedded in corporate governance, which involves the control of directors' decisions and managers' actions in big quoted corporations in the “interest of minority shareholders.”

In the context of this “market-based model of corporate governance,” the means of ensuring the interest of the minority shareholders is ensured through pressures from the security market. Funds needs are gratified through numerous (minority) stockholders. On the other hand, managers actions are circumscribed by some market induced influences such as risk of takeover bids and the use of inducement devices such as share opportunities (Crifo & Rebérioux, 2016). This implies therefore, that this model depends for its actual realization on the working of a fluid security market.

Above all, a crucial variable in this security market-based model of corporate governance concerns the board of directors that is supposed to function as internal device for monitoring managers' decisions and actions because of the non-involvement of shareholders in checkmating managers (Easterbrook and Fischel, 1991).

The stakeholder model fundamentally thrives on the notion which holds that in the process of maintaining practices which cater for the benefits of its shareholders by corporate entities, they should also cater for the larger societal interests just like how the former's interests are held in high esteem. Essentially therefore, the managers of corporate entities are regarded as pivots that maintain intermediating and harmonizing the interests of shareholders, both “minority and block holders” and the interests of the employees.

The employees are regarded as discharging essential and indispensable responsibility in the affairs of the firms, which put their “human capital” at risk in contrast to the position of the consumers or the host communities. In respect of this model, the “control mechanism” is dependent on “internal pressures” such as the funding requirements being provided by focused shareholders in economies with weak financial markets, where managers are controlled by major shareholders and the officials of the labour union (Aglietta and Reberieux, 2005). On the basis of this context, many advocates of this model propose employee representation in the board empowered with the right to vote as accorded to the shareholder representatives (Crifo & Rebérioux, 2016). See Table I below for the summary of the two models of corporate governance.

Table I: Taxonomy of Shareholder and Stakeholder Models of Corporate Governance

S/N	Mechanism	Shareholder	Stakeholder
1	Focus of Objective	Shareholder value. Gives priority to minority shareholder interests	Stakeholder value. Gives priority to direct constituencies & other interests. Balancing divergent interests in the society.
2	State of Financial Markets	High developed and active Financial Markets.	Underdeveloped Financial markets.
3	Status of Shareholding	Shareholders are highly Dispersed	Large Investors & Institutional Investors as Shareholders (blockholders).
4	Devices for Discipline and Control	External Market -based such as Takeover Bids Threats. Pressure from regulators and investors	Internal Monitoring by Board Committees and Auditors. Pressure from regulators and investors.
5	Nature of Managerial Incentives and Time Horizon	Short term objectives on the basis of Stock Prices. Superlative Financial Incentives	Long term objectives on the basis of Strategic Management. Little Financial Incentives
6	Boards of Directors	Shareholders' interests represented by the Boards. Promotion of board independence.	Dominated by stakeholders. Promotion of board independence.

Source: Adopted with modification from Crifo & Rebérioux (2016). Corporate governance and corporate social responsibility: A typology of OECD countries. *Journal of Governance and Regulation*, 5(2): 14-27.

Codes of Corporate Governance

There are various codes that have been formulated over time for as regulatory policy measures to guide corporate entities in implementation of CG structure in their operations. In this consideration, various countries have their respective codes that govern their quoted companies towards ensuring the best practices in corporate governance. For example, there are: the Cadbury Report of 1992 and UK Corporate Governance Code (2014) governing quoted firms in UK; Sarbanes-Oxley Act of 2002 in USA and OECD Code (2004) for EU. The provisions of OECD Code in particular have influenced formulation of CG codes in other countries.

In Nigeria, there are several CG codes as presented in the Table II, which have been promulgated to guide the practices of corporate governance in different industries of the economy before the promulgation of the latest Nigerian Code of Corporate Governance 2018 (Code) by the Federal Government of Nigeria. This code has overriding authority and application in the country.

Table II: Corporate Governance Codes in Nigeria

S/N	Name of Code	Year	Issuing Authority
1	Code of Corporate Governance for the <i>Telecommunication Industry</i>	2014	Nigerian Communications Commission
2	Code of Corporate Governance for the <i>Telecommunication Industry</i>	2016	Nigerian Communications Commission
3	Corporate Governance for <i>Banks and Discount Houses in Nigeria</i>	2006	Central Bank of Nigeria
4	Corporate Governance for <i>Banks and Discount Houses in Nigeria</i>	2014	Central Bank of Nigeria
5	Code of Corporate Governance for <i>Public Companies in Nigeria</i>	2003	Securities and Exchange Commission
6	Code of Corporate Governance for <i>Public Companies in Nigeria</i>	2011	Securities and Exchange Commission
7	Code of Good Corporate Governance for <i>Insurance Industry in Nigeria</i>	2009	National Insurance Commission
8	Code of Corporate Governance for <i>Licensed Pension Fund Operators</i>	2008	National Pension Commission
9	National Code of Corporate Governance comprises: Code of Corporate Governance for the Private Sector; Code of Governance for Not-for-Profit entities; and Code of Governance for the Public Sector	2016	Financial Reporting Council of Nigeria
10	Nigerian Code of Corporate Governance	2018	Federal Government of Nigeria

Source: George Etomi & Partners (2019). Analysis of the Nigerian Code of Corporate Governance 2018. <https://www.lexology.com/library/detail.aspx?g=4ab3a942-a53c-4f2a-90d4-151e3c4a8eec>

It is instructive to note that the National Code of Corporate Governance was suspended in 2018 arising from agitation from various affected parties in the country. The new code, the Nigerian Code of Corporate Governance Code, that has been promulgated for the corporate entities in the country has some pertinent provisions (Adeyoju, 2019). See Table III below.

Table III: Provisions of the Nigerian Code of Corporate Governance 2018 Code

S/N	Pertinent Issues Addressed	Provisions of the Code
1	Role of the Board	The Board to provide strategic leadership and create a process which promotes diversity in its membership using a variety of criteria such as gender, age, and cognitive strength, without compromising competence, independence, and integrity.
2	Protection of Shareholders	General meetings should be conducted in an open, easily accessible place, which allows shareholders to participate and contribute effectively.
3	Corporate Social Responsibility	Companies are to have regard to the environmental, social, and community health and safety and to help stakeholders make informed decision by always keeping them in the loop. The Board is to “promote ethical culture and responsible corporate citizenship” and to “ensure that management act in the best interest of the shareholders and other stakeholders”.
4	Business Conduct and Ethics	An establishment, communication, and enforcement of policies for monitoring insider trading, related party transactions, and other corrupt activities. The Code also implores Directors to disclose any real or perceived cases of conflict of interest, and encourages constant engagement and communication with stakeholders.
5	Audit	Establishment of an internal audit committee to assess risk management, governance, and internal control systems. An external assessor is to review the effectiveness of the internal audit committee at least once every three years. Also, independent external auditors, who understand the business of a company and can provide transparent and unbiased assessments, be appointed to periodically conduct a thorough auditing. The Board to recommend the removal of an auditor, in accordance with the CAMA, in the case of any abuse of trust.
6	Whistleblowing	The Board to establish a framework to encourage stakeholders (customers, employees, and host communities) to report cases of unethical dealings and “violations of laws and regulations to the attention of an internal and/or external authority so that action can be taken to verify the allegation” and so that appropriate sanctions or remedial actions may follow. The Board responsible for ensuring that no whistle -blower suffers, is castigated or is deprived of his entitlements by reason only of a disclosure.

Source: Adeyolu, A. (2019). The new Nigerian code of corporate governance: A comprehensive review. Accessed from <https://pristinecrestlegal.org.ng/2019/02/21/the-new-nigerian-code-of-corporate-governance-a-comprehensive-review/>

The above provisions of the Nigerian Code of Corporate Governance, for all intents and purposes, borrowed from the CG codes of other countries. All said, they are meant to compel corporate entities to institute best practices of corporate governance in their operations in the country. Interestingly, the Nigerian code from above presentation specifically gives credence to the issue of corporate social responsibility.

In a nutshell, CG involves aspects of or mechanisms entrenched in corporate operations meant to ensure accountability to shareholders and other stakeholders (Keasy and Wright, 1997) while circumscribing managerial behaviour (Tricker, 1994) so that they are responsible to all stakeholders (Dunlop, 1998). These mechanisms also ensure that good governance is enhanced (Kendall, 1999) and entrenching effective strategic management process that incorporates stakeholder value, which guarantee effective corporate leadership, direction, control, transparency, and accountability attributes” inherent “at the heart of sound and effective CG” (Huse, 2005; Van den Berghe & Locke, 2005).

The corporate leadership and strategy setting involve defining roles and responsibilities, orientation towards “a long-term vision of corporate performance, setting proper resource allocation plans, contributing know-how, expertise, and external information, performing various watchdog functions, and leading the firm's stakeholders in the desired direction” (MacMillan et al., 2004; Cadbury, 2000; Page, 2005). The leadership and control ingredients of CG work simultaneously, and both describe the extent of power accorded to the internal stakeholders (board, executives, managers, employees) and the external constituencies. (MacMillan et al., 2004). All these gladiators are expected to exercise their expertise in advancing the fortunes of their corporations while “according due regard to their responsibilities towards shareholders and stakeholders” (Mallin, 2005; Jamali, Safieddine & Rabbath, 2008).

Above all, CG is inherently concerned with honesty and transparency, which are increasingly required by the public both in corporate dealings and disclosure (Page, 2005 in Crifo & Rebiérioux, 2016), and investor confidence and market efficiency depend on the disclosure of accurate information about corporate performance. Such disclosed information should be clear, consistent, and comparable in order to be of value in global capital markets (OECD, 1999). In the final analysis, corporate governance discussions all about the necessity for the presence of policies that competently compel the managers of corporations to represent shareholders' interest effectively and invariably that of other stakeholders in the society.

Realm of Corporate Social Responsibility

This discussion on CSR is commenced with the allusion of the country's code (see Table III above) to the subject. The code copiously provided that corporations should have “regard to the environmental, social, and community health and safety and to help stakeholders make informed decision by always keeping them in the loop.” in addition, the code also charges the Boards to “promote ethical culture and responsible corporate citizenship” and to “ensure that management act in the best interest of the shareholders and other stakeholders.” This being the case, what is corporate social responsibility (CSR)?

Haslinda, Alia & Faizah (2016) posit that CSR refers to “the responsibility of companies to incorporate the economic, legal, ethical and philanthropic needs of the community in their business plans at a given time.” This implies that corporations are to provide tangibles and intangibles that are required to foster the interest of the society. Relatedly, the authors also observe that the society expect corporate entities to execute some ethical responsibilities by operating their activities in such a way gives regard to the well-known values of the society. The authors explain that “voluntary responsibilities are those social activities required by the communities higher than economic, legal and ethical commitments.” In another dimension, Haslinda, Alia & Faizah (2016) declared that similarly, the communities are to “encourage and assist” corporations towards accomplishing their (operational) pecuniary objectives, which can be effectuated by way of providing safe environment as well as “proper provision of employees' health facilities.”

In another view on CSR, Samson, Joseph, Nixon & John (2018) elucidate that corporate social responsibility involves the firm's actions which are beyond “legal requirements to control the effect they may have in the community.” In Similar view, Dawd & Charfeddine (2019) opine that corporate social responsibility involves “process of attaching the financial and nonfinancial spending of the company on the environmental and social activities on commodity, employee, employment, energy, environment and general community involvement in the annual accounts.”

Abdulkadir, U. & Alifiah, M. N. (2020) in their opinion see corporate social responsibility as corporations' “interconnectivity with the employees, suppliers, customers and the society as well as protecting their social and environmental menaces.” This implies that CSR is the consideration of the “environmental and social strategies, activities and agendas to progress stakeholder's

contentment (employees, customers, and community)” by the corporations. In this wise, the voluntary actions of the firms manifest in form of economics, ethics, social and philanthropic, as can be implemented towards fostering the relationship between the corporations and the society.

The European Commission (2011 in Crifo & Rebérioux (2016) declares that for corporations to be responsible implies they go beyond legal constraints, by take responsibility for their impacts on society; a requirement is the respect for applicable legislation and collective agreements between social partners. In economics terms, CSR invariably goes beyond obeying law. Furthermore, that “socially responsible enterprises should integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy” with the dual goals of “maximizing the creation of shared value for their shareholders, stakeholders and society”; besides “identifying, preventing and mitigating their possible adverse impacts.” See Figure 1 below for the components of corporate social responsibility.

Relatedly, according to Crifo & Rebérioux (2016), CSR policies are, more often than not, embedded in extensive areas such as:

i) The environmental pillar comprises the incorporation of environmental considerations into the design, manufacturing and distribution of products ranges from local and global pollution prevention and control, waste management, the protection of water resources, and the preservation of biodiversity, to energy efficiency, cleaner production, reverse logistics, and managing the environmental impacts from transportation.

ii) The social pillar relates to the integration of human resources into firm strategy, labor practices (participation, careers, training, compensation, working conditions), as well as company impact on society; respect of human rights; impacts on local communities

iii) The governance pillar refers to corporate governance (boards, audit, respect for shareholders rights, CEO compensation), as well business behaviours with customers and suppliers (goods safety, information given to consumers, relations with suppliers, prevention of corruption and anticompetitive practices).

The rationale for the corporations' engagement in CSR is hinged on the two models: first; *stakeholder value model* under which CSR is often regarded as a means to increase social cohesion (Kang & Moon, 2012) as managers are used to negotiate with various, and sometimes opposite, interests (finance and labour). Under social cohesion or environmental protection context, CSR requires that top executives take into account more remote interests. Second; *agency theory* under which the CSR policy becomes a perquisite for managers who like the accolades of the advocates of broadened social performance (Baron, Harjoto & Jo, 2008). CSR is legitimate in a shareholder primacy model provided that it is proved to related to “higher but short term or longterm accounting profit or shareholder value; the value of common stock.” This is seen as strategic CSR that involves noting that most CSR activities, based in particular on environmental and social factors, aim at reducing negative externalities such as curbing pollution or generating positive externalities.

Several determinants of CSR activities are attributed to some factors including avoiding regulation and pressure from civil society, and responding to the demands of consumers, employees or shareholders, while managing risk and reputation. These forms of drivers of CSR of firms' responsible behaviours arises from the following environmental factors:

I. Pressure in the firm's external environment, from the regulator or the civil society. This is a motive for CSR activities through response to political and social pressure. Basically, threat of fines, regulation compliance coupled with regulatory costs results in strong incentives for CSR activities. In the financial sector, for instance, risk management is largely under the scrutiny of regulators, leading financial actors to develop new tools to manage both direct and indirect risks in order to comply with regulations. Another pressure comes from citizens and social activists, often exerted by

Non Governmental Organizations (NGOs), who can make direct demands for firms to integrate their negative externalities, such as water pollution or toxic air emissions Crifo & Rebérioux (2016).

II. The incentives in the firm's market structure, based on competitive pressure emanating from consumers, competitors or reputation concerns. Labels and certification play a core role in product differentiation strategies to reduce information asymmetry, and by competing for socially responsible consumers by firms, increased competition may lead to superior CSR performance (Fernandez-Kranz & Santalo, 2010).

III. The incentives in the firm's agency relationships, based on responsibility delegated to CEOs by shareholders, employees or directors. Basically, CSR strategies may be an efficient tool to let executives exercise their discretionary power (necessary in all organizations) such that they would favour the interests of stakeholders to induce them to accept doing business with the firms. Hence shareholders hence hold a major stand with full legitimacy to ask, in addition to fiduciary duties, the firm they own to engage in CSR. A socially responsible investment (SRI) market is important for CSR decisions. Regarding employees, CSR can appear as a signal for corporate culture thereby contributing to shaping worker identity and incentives. CSR can also allow attracting good employees, or at least highly qualified, reducing costly employee turnover, and directly increasing firm performance through productivity (Edmans, 2011; Crifo & Rebérioux; 2016).

Figure 1: Components of Corporate Social Responsibility



Source: Geva, A. (2008). Three models of corporate social responsibility: Interrelationships between theory, research, and practice. *Business & Society Review*, 113(1): 1-41.

Models of Relationship between CG and CSR

There are diverse models as posited by some writers about the inherent relationship between corporate governance (CG) and corporate social relationship (CSR), which are discussed below.

Model I: Corporate Governance as a pillar for Corporate Social Relationship

Hancock (2005) elucidates that CG is one of the main pillars of CSR along with human capital, stakeholder capital, and the environment. Hancock (2005) contends that investor and senior management attention should be focused on the four core pillars (strategic governance, human capital, stakeholder capital, and the environment) since together “help account for about 80 per cent of a company's true value and future value creating capacity.” Relatedly, writers (Barney, 2007; Wright, Dunford & Snell, 2007) observe that the model maintains that value creation, even in relation to CSR, is dependent on leveraging human, stakeholder, and environmental capital coupled with good strategic governance. Hence CG is regarded, on the basis of this model, to constitute one of CSR's basic building blocks. This notion supports the opinion of Elkington (2006) that CSR is the responsibility of corporate boards and by extension, good CG is a foundational requirement or pillar for sustainable CSR.

Model II: Corporate Social Relationship as a Dimension of Corporate Governance

this model provides that corporate governance as a pillar of corporate social relationship requires an effective corporate governance system to be in place as a foundation for solid and integrated corporate social relationship activities. This is in tandem with the postulation that, with strategic governance entailing traditional corporate governance, it strengthens strategic management capability of the firms.

Model III: Corporate Social Relationship as an Attribute of Corporate Governance

This model provided the literature by Ho (2005), who contends that CSR is an attribute or dimension of corporate governance, which tends to widen the context of CG, and invariably incorporates non-financial risks into the risk mitigation purview of corporate governance activities. This contextual notion of corporate governance embedded conventional components such as board structure, strategic leadership, stewardship, social responsibilities, and capital structure and market relations, and by extension the corporate social relationship. This is consistent with the writings of other authors (Kendall, 1999; OECD, 1999), who also consider corporate social relationship as an integral part of corporate governance. Ho (2005) proposes through this framework to gauge corporate governance more holistically by considering a range of relevant attributes, including corporate social relationship. Her work builds in this respect on the work of Kendall (1999) who considers that good corporate governance also entails ensuring that companies are run in a socially responsible way and that there should be a clearly ethical basis.

Model IV: corporate governance and corporate social relationship as coexisting components of the same continuum:

This model provides that CG and CSR are two facets (internal and external) of commitment to sound business conduct and that they should be integrated into the same spectrum or continuum of corporate disclosure. The argument under this model is that CG and CSR are indeed complementary and mutually reinforcing in the sense that an effective CG structure protects shareholders from unlawful action while an effective CSR programme prevents various actions which may be legal but inappropriate in relation to their impact or implications for specific constituencies or stakeholders.

Both CG and CSR require that companies should assume their entrusted and moral responsibilities toward stakeholders. This form of accountability is germane for the business in enhancing sustainable trust of its financial investors and other stakeholders (Page, 2005 in Crifo & Rebérioux, 2016). The twoterms derive strength from the same sources such as transparency, accountability, and honesty (Van den Berghe and Louche, 2005) in Crifo & Rebérioux (2016). Marsiglia and Falautan,

2005) in Crifo & Reberieux (2016) observe that good CG and CSR initiatives are gradually evolving from a philanthropic variant of corporate capitalism towards dependable strategies meant to garner the trust of clients and society at large. Basically, CG is indicative of “being held accountable for,” while CSR implies “taking account of” and the two mechanisms are increasingly utilized by corporations to control their operations (Beltratti, 2005; Marsiglia & Falautano, 2005) in Crifo & Reberieux (2016).

Windsor and Preston (1988) in Crifo & Reberieux (2016) observe that CG and CSR are inherently related explaining the “interaction between an organization and its internal and external sociopolitical environment”, with both being largely complementary as basic prerequisites for “sustainable growth within a globalizing business environment” (Vanden Berghe & Louche, 2005) in Crifo & Reberieux (2016). The two concepts are also considered to offer significant sustainable benefits and the survival of the corporations. CG is observed that it fosters good governance mechanisms with which to reconcile the interests of owners, managers, and all those dependent on the corporation, which allow firms to gain “long-term capital, retain the confidence of financiers, and to use the obtained capital proficiently” (Crifo & Reberieux, 2016).

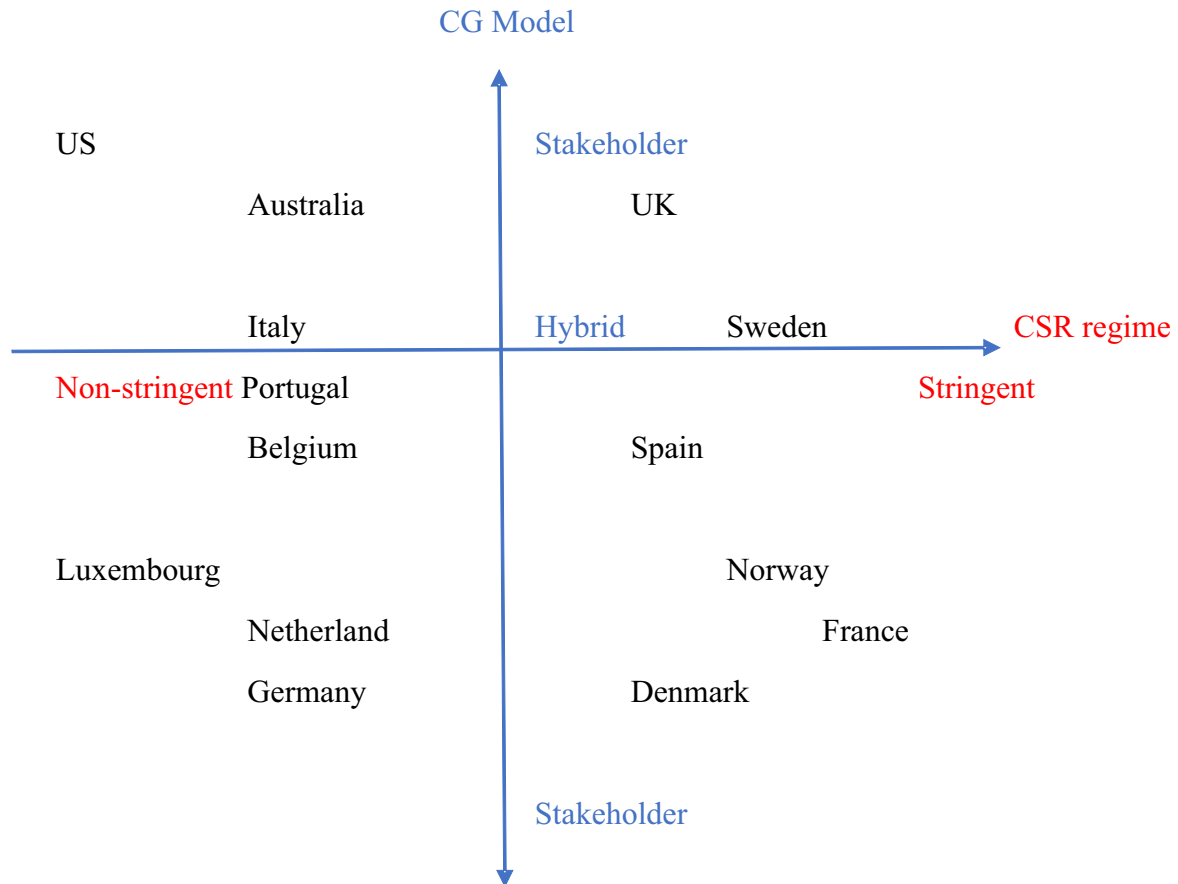
Theoretical Review

This study is hinged on the *Stakeholder Theory* as propounded by Edward Freeman in 1984. The theory derives from the amalgamation of sociological and organizational disciplines (Wheeler, Colber & Freeman, 2003). According to the theory, a stakeholder refers to any individuals, groups, institutions or organizations that can influence or be influenced by the accomplishment of corporate goals and objectives (Machdar (2019). Stakeholder theory suggests that corporate entities should incorporate the interest of legitimate stakeholders in their decisions and actions because they (the firms) do not operate in a vacuum. (Sundaram & Inkpen, 2004). The corporate entities need the support of the stakeholders because they can exert enormous influential on the operations, actions and sustainable survival of a firm. For instance, stakeholders do influence entrenchment of requisite operational standards in the operations of the firms and can as well pressure them for the disclosure of information in their periodic operational reports (financial statements).

The connection that exists between corporate best practices such as disclosure of corporate social responsibility and corporate financial performance depends is also a function of other influences such as the power of the stakeholder like the government, community agitation, board composition, board duality structure, and management strategy and posture towards the stakeholders (Ullmann, 1985). Hence, stakeholder theory does not just recognize that corporate entities should manage stakeholder interests, which is in their best interest but also suggests that there exists a fundamental relationship between the stakeholders and the firms' operations (Donaldson & Preston, 1995). Stakeholders are capable of engaging in actions that can be unfavourable to corporate entities such as pressure from investors, sudden sanctions from the regulatory authorities sit in or strike actions by the workers, intensive campaigns for boycotts by activists, picketing by the labour unions, and negative reports from news media (Prior et al., 2008).

The stakeholder theory is relevant to this study because the above analysis provides that there is causality between best organizational practices (corporate governance) and firms' responsible actions towards the relevant stakeholders (corporate social responsibility). This arises from the backdrop of the enormous influence of the stakeholders such as pressure from investors, sanctions from regulators, wrath of the government in power, strikes by the workers, boycotts of product or services by consumers, and mischievous media reports, among others.

Figure 2: Scenario of CSR and CG regimes in European and Anglo-Saxon countries



Source: Crifo, P. & Reberioux, A. (2016). Corporate governance and corporate social responsibility: A typology of OECD countries. *Journal of Governance and Regulation*, 5(2): 8

In the United States of America, the same scenario somehow plays out in respect of the convergence of CG and CSR. The practice of good governance by corporations in this country is line with the dichotomous shareholder and stakeholder value models, as portrayed in Figure 2 above. However, unlike the situation in the continental Europe, the practices of CG and CSR by quoted firms in the US has been accorded considerable priority such that informational needs by minority shareholders and investors are accorded much importance and disclosure regimes, as compelled and structured by corporate and securities laws are comprehensive.

The rise in corporate transparency, board composition or structure, sustainability in corporate strategies and governance, enhanced CSR and among other related practices by large and quoted corporations in the US are induced by the recurrence of financial scandals, environmental pollutions and market crisis.

In China, corporate governance (CG) is evidently shaped by high ownership concentration, characterized by state dominance and political affiliations. Relatedly, state control degrades a companies' corporate governance system as well as the rights of minority shareholders. Management and board decisions favour the interests of the controlling shareholders who appointed them, which

has inevitably led to agency problems in the form of diverting corporate resources coupled with management's pursuit of political interests to the detriment of minority shareholders. Internal governance is further weakened by ineffective enforcement of regulations and laws as well as by an inefficient financial market. These factors have exacerbated conflicts of interest between dominant and minor shareholders, leaving the latter unprotected. This scenario inevitably affects the practice of CSR in China, which in any case is being dictated by the state's interest and direction.

In African countries, there has been some convergence between CG and CSR practices. The Nigerian context presents good relationship between the two practices. Some degree of good corporate governance exists with CSR and their reporting being accorded pride of place in the operations of the large companies in various sectors (oil & gas, banking, manufacturing, etc.) of the economy.

The scenario in Ghana is not quite different. Literature accessed revealed that large board size, board skill, management skill, longer serving CEOs, size of audit committee, audit committee independence, foreign ownership, institutional ownership, dividend policy and annual general meeting are important CG practices. This could impact on the practices of corporate social responsibility (CSR) in this country.

In Botswana, for instance, the available literature provides that board size, board independence and audit committee meetings (CG) frequency influence practices of corporate social responsibility and their reports. In addition, company size also reflects significant influence on CSR practice and disclosure.

Conclusion

The paper has investigated the relationship between corporate governance (CG) and corporate social responsibility (CSR). The result of the study presents a discordant scenario; the practices of CG converged with concerns for and discharge of socio-economic responsibilities to the society (CSR) in varying degrees in different countries. However, the common global trends fostering the convergence of CG and CSR have to do with the rise of institutional investors and the growing compliance on disclosure occasioned by initiatives of some corporations in particular and by abundant regulations. Lastly, the burden of such CG and CSR practices is on the shoulders of large listed or quoted companies around the world.

Recommendation

Based on the findings of the study, the paper recommends the following:

- 1) All large companies and multinational corporations, listed or not quoted, on the stock exchanges in various countries should institute structures in their operations that would ensure best practices of corporate governance and corporate social responsibility.
- 2) The regulatory authorities in various countries should ensure that there is strict compliance in respect of existing policies on CG and CSR practices by the firms through effective supervision and periodic audits.
- 3) The multinational corporations (MNCs) in particular, have onerous responsibility in instituting prompt response towards ameliorating polluted environment be it on land or at sea. This is to guarantee healthy and productive (natural) resources in the environment for the survival of the mother earth.

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DEVELOPMENT, IMPLEMENTATION AND EVALUATION OF ELEARNING PLATFORM FOR TEACHING PROGRAMMING LANGUAGE

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ABSTRACT

The acquisition of scientific literacy through eLearning is an essential part of digital literacy. But the level of responsiveness and usage of eLearning in Nigeria seems very low and require investigation. The purpose of this study was to investigate the development, implementation and evaluation of eLearning platform for teaching programming in senior secondary school. The data gathering instruments were achievement test and attitude questionnaire in the teaching of programming language. A total of 60 senior secondary students from the two secondary schools took part in the study. Data generated were analyzed using ancova. Findings from the study revealed among others the following: (i) There was a significant difference in the achievements of students taught using eLearning platform. (ii) There was no significant difference in the attitude of male and female students to eLearning platform. The study therefore recommends among others the following: (i) The school should organize workshops and seminars to popularize and sensitize teachers, lecturers, and students on the use of eLearning platform approach to the teaching and learning in this jet age (ii) The schools should encourage the students and parents in the use of eLearning.

Keywords: ELearning, Programming, School, Teaching, and Nigeria.

INTRODUCTION

In taking a quick look back at development of ICT in Nigeria education, a major landmark is seen in the mid-1980s. Since the mid-1980s when getting personal computers more readily into classrooms became more of reality than a dream, the Federal Ministry of Education proactively empanelled a committee which developed the first core curriculum for computer studies for junior secondary schools (now basic 7-9). There was a dearth of teachers to implement the curriculum and the plan to quickly breakdown the barrier through crash courses for new and practising teachers failed to be successfully activated (Okebukola, 2010).

Researchers (Adarkwah, 2020; Okebukola, 2020; Ibrahim, 2020; Ibrahim & Hudu, 2020; Al-Fraihat, Joy & Sinclair, 2020; Eze, Chinedu-Eze & Bello, 2018; Jimba & Ogundele, 2015) in the field of Information Communication and Technology (ICT), Science Education and Educational Psychology have defined e-learning in many ways such as technology-based teaching and learning,

online teaching and learning, internet teaching and learning, and virtual teaching and learning, computer-based learning, on-line self-study, encompassing on-going learning and joint effort, to mention only a few (Ibrahim, [2020](#)).

The Federal Government's eLearning Initiative in the Education Sector as part of the Federal Ministry of Education's commitment to enhance creation and delivery through the application of ICT, and also to meet up with the national, regional and global developmental goals in line with the roadmap as approved by the Federal Executive Council, constituted an exploratory committee to look at the possibility of deploying eLearning across the Nigerian education sector through Public-Private Partnership. ELearning systems amassed numerous tools, such as writing technologies, communication technologies, visualization, and storage. For these details, scholars and experts have sought to change eLearning systems into technically transparent tool, like a pencil or notebook. The eLearning literature is massive and continues to grow steadily (Aparicio, Bacao, & Oliveira, [2014](#)).

The teaching and learning process today is inseparable from the role of ICT (Information Technology and Communication). The ICT has inspired the birth of new concepts of learning through computer that is better known as eLearning. ELearning is a learning system which is implemented online by utilizing internet technology. The growing eLearning usage has impacted on the improvement of facilities and features inside eLearning in order to optimize e-learning usage in many ways. For instance, the current Edmodo template of e-learning allows teachers to group students, post video, create assignments, make quizzes, exercises and survey, and also link to other resources and online multi-media. Moreover e-learning can provide more flexibility for student learning beyond classroom border and anticipate constrains such as time, facilities, learning resources, and classroom. However, the effectiveness and varieties of e-learning usage depend on teachers' competencies (Hadiyanto, [2019](#)).

Numerous studies have found that the implementation of e-learning in its various forms can be expensive to an organisation due to the relatively low adoption rate among users (Sawang, Newton & Jamieson, [2013](#)). As mentioned by Tatnall and Davey ([2003](#)), this expenditure must be balanced with improved satisfaction. End-users will either experience satisfaction or dissatisfaction when they engage with an e-learning system. Despite the increase in e-learning adoption across learning institutions, e-learning programmes have been found to have higher failure rates when compared with traditional courses (Wu, Tennyson & Hsia, [2010](#); Zaharias & Polylymenakou, [2009](#)). Answers must be sought to understand why users stop or dislike the system after their initial experience. In past studies, reasons cited often include content, comfort level with technology and availability of technical support (Sawang, Newton & Jamieson, [2012](#)). With the ever-increasing adoption, reliance and availability of technology from our modern world to our schools, it is necessary for us to understand factors that could lead us to an increased adoption of e-learning in educational settings. However, the type of eLearning platform provided is vital to the success of the learners with the support of teachers, staff, students, parents, and school administration and the community at large (Al-Shiboul, 2013). In this project an eLearning platform will be developed, implemented and evaluated. Although recent studies have shown that most students find it extremely difficult to comprehend programming at the secondary level, using the conventional approach to teaching. To solve this, the researcher will have developed, implemented and evaluated an eLearning platform for teaching the concept of programming at senior secondary school level. When pupils interact with eLearning platform they learn to give and receive information, develop new understandings and perspectives, and communicate in a socially acceptable manner. ELearning platform is introduced to

subdue critical challenges such as poorly prepared students and lack of learning materials. Therefore, the aim of this project is to develop, implement and evaluate an eLearning approach to teaching programming. This study seeks to provide answers to the following questions: Will the use of eLearning platform enhance students' achievements in programming? And will the use of eLearning platform enhance students' attitude towards learning programming?

The following null hypotheses were stated for the study: There is no significant difference between the achievement of students using the eLearning platform and those in the control group; and there is no significant difference in the attitude of male and female students towards learning programming using eLearning platform and those in the control group. Thus, the current study in quest to see the effect of developing, implementing and evaluating an ELearning platform for teaching programming language in secondary schools in Lagos State.

Literature Review: Concept of Elearning Activities

ELearning is a process of learning that involves the use of electronic equipment in creating, fostering, delivering, assessing, and facilitating a teaching and learning process with students as the center which is done interactively whenever and wherever. E-learning is defined as the use of internet technology to convey learning. The basic criteria for e-learning are: network, delivery of course matter to users via computer and mobile with standard internet technology, and focus on broad learning (Rosenberg & Foshay, 2007). ELearning allows students to develop their knowledge and skills by appropriate learning activities.

Building on the “theory of reasoned action” model, Davis (1989) proposed the Technology Acceptance Model (TAM) in an effort to explain and predict the adoption and use of information technology at work in 1989. The TAM theorised that perceived usefulness (PU) and perceived ease of use (PEOU) were two key determinants of technology adoption. Davis referred to PU as the degree to which individuals expected that the adoption of a particular technology would enhance their job performance, while PEOU was the degree to which individuals believed that using a particular technology would be simple (Davis, 1989).

The eLearning requires a media to be able to display course materials and questions and also requires



Figure 1. A Screenshot of Setup Wizard in creating programming course in OpenLearning.com

The first step is to create course. This will guide the user through the steps in building the course programming for the students/learners. The second step is promoting the course. Once your course is turned online, you can start sharing the course URL for students to enroll. To turn your course online, either complete all of Step 1 in the Setup Wizard or toggle it online. The system consists of two different parts: the “database system” and the “web platform system”. The database system employs three database files, which were designed and developed using any database program. Respectively database file is connected to a different part of the system. One of these files is used to store information about system users (administrators, students, and teachers), main system features or functions, and some specific system tools. Other database file is used to store information about related modifications for assessment tools provided within the system. Questions for system tests and exercises are also stored in this database.

We used to store the final database contents that were added by teachers to the system. The whole database system is connected to the web platform system using various database functions. The web-platform system links to web interfaces and tools that are included in the system and provided to administrators, students, or teachers according to their activities in connection with the system. The three different types of users: administrators, students, and teachers. In order to log into the structure, all of these users must type their usernames and passwords on the login page of the system. After logging into the system, administrators can use different management tools to adjust main system features and edit other users' (students and teachers) personal information. Students and teachers on the other hand, can use educational tools to perform their own activities on the system. Students can use the related tools to view course lesson contents, study on simulations or animations, and perform other learning activities, Teachers can adjust features and functions of the educational tools and manage learning activities that are performed by students, and the system provides similar web interfaces for each user type and enables all users to perform their activities easily with the support of simple, fast and interactive features and functions. The administration panel interface is the web page that is viewed by the teacher after the login process. The system has a login panel where users can login to view their learning activities.

Teachers and students can use this interface to reach all system tools and perform related activities. The main system interface includes four different panels that direct students and teachers to different parts of the system. There are two tool panels located at either side of the interface. The first of these provides some links for stored course lesson contents, active tests or exercises, and related system help pages. After the login process, teachers/administrators can use these links to view their lesson contents, tests, or exercises immediately. Additionally, some statistical information about online users, stored lesson contents, files, and so on are viewed on this panel. The Learning Activity Panel is used to view lesson contents prepared by the administrators. By default, system announcements and news are viewed on this panel. The system provides a detailed management interface that can be used by teachers to arrange and control online learning activities, manage course lesson contents, and adjust some specific features and functions of the educational tools. As mentioned before, this interface can be viewed by using the small login tool that is provided on the right tool panel of the main system interface.

The management interface has been designed as similar to a typical admin panel. Thus, it comes with a simple and fast interface. In the related interface, management activities are provided in separate panels that correspond to options of different educational tools and system functions. After clicking on any link, the corresponding management page is automatically viewed in the right side of the management inter-face. In addition to the management interface, which was developed to be used by teachers, the system also includes another management interface that is used by only system administrators. After the login process, the system automatically directs administrators to this

management interface - also called the “Admin Panel”. The Admin Panel has been developed with almost same design with the other management interface that is used by teachers. But it includes more options and management tools to adjust main system features and edit other users' (students and teachers) personal information. On the Admin Panel, it is also possible to view some statistical information about system users, lesson contents, stored files, and some specific features or functions of the system. By using the related options, administrators can also control learning activities and manage course lesson contents.

Evaluation of the ELearning Platform

In order to assess the efficacy of the eLearning system, experimentations, which were formed with an experimental group who used the system in the related learning activities and a control group who participated only in a face-to-face education process was performed during the programming course. Additionally, the students who participated in the experimental group were asked to write down their comments about features and functions of the system. These helped the authors in deciding how to continue the development of the web-based eLearning system.

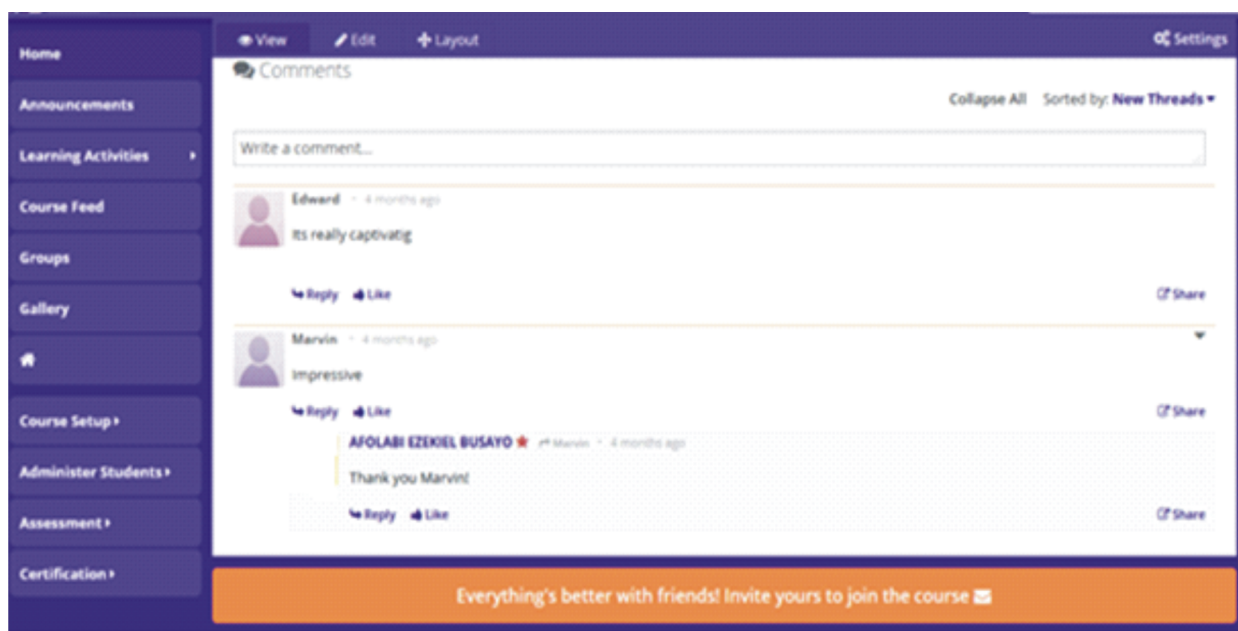


Figure 2: A screenshot of comment made by students

Advantages and Challenges of Implementing ELearning

The imperative and advanced use of ICT in every aspect of daily life has become the norm in developed countries of the world. ICT apps/media, especially WhatsApp, Zoom, Google Meet, Webinar, and Telegram, are some of the most veritable platforms used for academic purposes, serving both audio and audio-visual communications.

The recent flow of information would definitely make learning easy for every individual who desires to do so. In addition, it sustains the need for systems capable of storing and handling this information. The growing impact of information and communications technology fits in with the larger transformation towards a knowledge-based society. Most professional environments are already

being adapted to eLearning. Being able to handle e-mail and databases is necessary in the professional world. Nowadays, technicians are more and more using artificial intelligence systems in order to determine and solve problems (Ferraiolo, 1992).

eLearning gives learners and other academic personnel, other than the instructors, opportunities to analyse and critique course content materials from an objective standpoint (McShane, 2004) as the assessment can be carried out remotely away from the classroom settings. eLearning tools have several online techniques that are online based such as social media platforms, chats, reading blogs and threaded email discussions (Guragain, 2016). eLearning motivates reflective thinking because it is not constrained by course content, as learners and instructors have a chance to access other avenues to learn about the subject of discussion (Jonassen et al., 2002; Losike–Sedimo & Ngwako, 2016; Woods et al., 2004).

Today's learners want relevant, mobile, self-paced, and personalized content. This need is fulfilled with the online mode of learning; here, students can learn at their own comfort and requirement. Some advantages of online learning are as follows: Online Learning Accommodates Everyone's Needs; Lectures Can Be Taken Any Number of Times; Offers Access to Updated Content; Quick Delivery of Lessons; Scalability; Consistency; Reduced Costs; Effectiveness; and Less Impact on Environment. Due to the wide set of benefits it gives to students, eLearning has become quite popular and appreciated among students all over the world.

Research Methodology

This study adopted an experimental design which employed quantitative and qualitative data-gathering techniques and had experimental and control group. A pre-test was performed on the groups, the pre-test lasted for a period of 4 weeks. The posttest was carried out on the two groups to ascertain the possible effect of the treatment. Independent and dependent variables were used at the experimental stage; the independent variable comprises of eLearning software Package (ESP) and traditional lecturing method (TLM), while the dependent variable comprises of students' achievement and attitude.

Both experimental and control groups receive one month of computerized programming instructions using the eLearning platform, and control group receives conventional approach of teaching. Participants were selected using intact classes. In this design, there is a pre-test and post-test which was administered to all participants in both groups. At the end of the experimental period, the post-test score of the experimental and control class was subjected to analysis of covariance (ANCOVA), which was subjected to a test of significance. The target population for the study was made up of all senior secondary school students of SS3 in Lagos State of Nigeria. This population was chosen because they were preparing for their West African Examinations Certificate (WAEC) in which programming is part of the scheme of work for this class and the subject is compulsory.

Table 1: Summary of the Ancova Analysis for Achievement

Tests of Between-Subjects Effects

Dependent Variable: POSTACHIEVE

Source	Type III Sum of Squares	Df	Mean Square	F	Sig.	Partial Eta Squared
Corrected Model	132.148 ^a	2	66.074	15.449	.000	.352
Intercept	399.234	1	399.234	93.346	.000	.621
PREACHIEVE	131.881	1	131.881	30.836	.000	.351
GROUP	4.332	1	4.332	1.013	.0318	.017
Error	243.785	57	4.277			
Total	15800.000	60				
Corrected Total	375.933	59				

a. R Squared = .352 (Adjusted R Squared = .329)

The sampling took place in Badagry local government area of Lagos State under the education district V out of the six geographical education districts that we have in Lagos. The location was chosen due to the convenience to the researcher and the two schools are close by to reduce stress on the part of the researcher. All participants selected for this study are students of French Village International College and Ajara High School. The sample consists of 60 students which are made up of males and females of ages 11-12yrs, 12-14yrs, and 14-16yrs. In this sample, the students took part and completed the study. No participants were excluded for any reason. In order to be able to answer the research questions and test the hypotheses formulated adequately, two instruments were designed and employed. Programming Achievement Test (PAT) and Programming Attitude Test (PATTT). The programming achievement test was developed by the researcher; the test questions were drawn out from past WASSCE questions. The instrument was developed to measure the ability level of students in programming using the eLearning platform. All questions were taken from past questions, covering every aspect of the topic.

This instrument is an inventory meant to assess student's perception on programming using the eLearning platform. The inventory is divided into two sections: A and B. Section A requires the demographic information of the students. Such information includes the name, age, sex, etc. Section B is a 10-item inventory which uses a 4-point liker scale of strongly agree (SA), Agree (A), Disagree (D), and Strongly Disagree (SD). The instruments were still validated despite the fact that was taken from past West African Examinations Council Bank questions, two experienced computer educators from the Lagos State University, Ojo, Lagos and an experienced computer teacher from a secondary school in Lagos. The instrument still went through face validity; this was done by the supervisor of this project. The test blue print of the programming is given in appendix A. The research instrument was subjected to the text-retest reliability method. The instrument was administered at two different intervals to some sets of students. The scores from the two tests were subjected to reliability test using Pearson Product Moment Correlation Coefficient Formula. The result of the coefficient reliability was found to be 0.74.

Table 2: Summary of the Ancova Analysis for Attitude

Tests of Between-Subjects Effects

Dependent Variable: POSTATTITUDE

Source	Type III Sum of Squares	Df	Mean Square	F	Sig.	Partial Eta Squared	Noncent. Parameter	Observed Power ^b
Corrected Model	.204 ^a	3	.068	.121	.947	.006	.364	.071
Intercept	21.591	1	21.591	38.449	.000	.407	38.449	1.000
PREATTITUDE	.038	1	.038	.067	.797	.001	.067	.057
GENDER	.009	1	.009	.015	.902	.000	.015	.052
GROUP	.167	1	.167	.297	.588	.005	.297	.084
Error	31.446	56	.562					
Total	627.000	60						
Corrected Total	31.650	59						

a. R Squared = .006 (Adjusted R Squared = .047)

b. Computed using alpha = .05

The two groups were pretested using the same achievement and attitude measures. The study was analyzed using descriptive statistics to answer the research questions raised. The hypotheses raised were tested using analysis of covariance (ANCOVA).

Table 1 reveals that there is a significant difference between eLearning platform and conventional in students' achievement in programming; $F(1, 57) = 30.84$; $p < 0.05$. Therefore, the hypothesis which states that there is no significance difference is here by rejected. The difference here could be as a result of the exposure to the different facilities in the ELearning platform compared to the traditional group. While table 2 in testing the hypothesis, data obtained from the student's attitude test were organized and subjected to analysis of covariance. The result shows that there was no statistically significant difference in attitude of student using ELearning platform and that of traditional method; $F(1, 59) = 0.02$; $p > 0.05$. Therefore, the hypothesis which states that there is no significance difference in the attitude of male and female students toward learning programming through eLearning platform and those in the control group is not rejected.

Discussion, Recommendation and Conclusion

The purpose of this research is to discover whether there is a significant difference between the means of achievement, attitude and gender difference under an eLearning platform and a conventional learning approach.

In achieving this, three hypotheses were stated and tested using analysis of covariance (ANCOVA). A sample size of sixty (60) students in Lagos state secondary schools (French Village International College and Ajara Grammar School) were selected through convenient sampling technique. A self-structured instrument tagged "achievement test in programming and the development, implementation and evaluation of eLearning platform for teaching programming" was used to collect data from the respondents. In the first research question of the study, the ancova data showed that on both dependent measures, the eLearning group outperformed the conventional. Therefore, the null hypothesis was rejected.

The result is in consonance with Ebisin,(2017) on performance analysis of eLearning on students' attitudes and achievements whose results showed that $\lambda = 0.717$ ($F = 23.909$, $P < 0.05$), meaning that univariates F for the cognitive achievements and attitude of students to E-learning have stronger statistical value. Another study by Al-Abdullatif, (2020) who investigated self-regulated learning and academic achievement in an eLearning environment, the results indicated that 64 seventh-grade participants demonstrated a good-to-high level of practicing SRL within the flipped classroom environment. Moreover, the student participants appeared to self-regulate their metacognitive learning strategies in the flipped classroom environment more than those in the traditional learning environment. In terms of their academic achievement, no statistically significant difference was detected between the traditional and flipped classrooms. Associations between the students SRL and academic achievement were identified, and several implications and recommendations were derived.

So, the role of technology within this emerging theory of learning as stated above needs action to take place for cognition to occur. This action must take place within a community of practice or learning community. This action often involves interaction between technological tools. These technological tools are invaluable parts to the learning system. Without these parts, the interactions that they produce, assist or motivate, may not occur. Therefore, technology in this learning theory is a piece of the learning environment that helps to bring about cognition.

In the second research question, the ancova results showed no significant difference in attitude of students taught using eLearning platform and the lecture method [$F(1,56) = 0.80$; $p > .05$], therefore the hypothesis is not rejected. In another related study 477 students enrolled in various courses across many departments in Panjab University Chandigarh according to Gunamala (2013) were analyzed. The results showed that no significant relationship exists between gender and attitude towards computer and eLearning. The usage of various eLearning forms also showed a non-significant relationship with gender. The future developments in eLearning can take note of this finding while developing eLearning tools which are efficient.

Various researches to study the effect of demographical variables such as ownership of PC, gender, age, academic qualifications, and skill and use of the computer and Internet etc. on the attitude of students towards e-learning have been carried out (Katz et al. 1995; Shashaani, 1997; Francis, 1993; Roca et al. 2006; Paris, 2004 & Berteau, 2009). Egbo et al (2011) in their research concluded there is the tendency that female students would accept ICT use more than their male counterparts. Contrary to this Liaw & Huang (2011) in their results demonstrated that male students have more positive eLearning attitudes than female students. They also suggested that computer related experience is a significant predictor on learners' self-efficacy and motivation toward e-learning. Based on the findings of the study, it was clear that students who were taught using eLearning achieved better result than their counterpart students taught with conventional method. Observational data showed that eLearning platform group showed enthusiasm and are more excited in exploring knowledge about programming using the eLearning Platform. ELearning seems to be the upcoming trend. It has been spreading worldwide. However, students have not really began to take advantage of the eLearning medium. The adoption of eLearning in Nigerian secondary schools can provide an economic and more suitable solution to the educational problem in Nigeria. In order to use the system in different courses, some features and functions of the system will be improved and more educational tools will be integrated to the system interface. At this point, students' comments about the system have an important role on this development. In the future, it is also possible to use the system in some master degree computer education courses.

Recommendations

There should be emphasis on the inclusion of eLearning platform in the national curriculum for secondary schools, teachers should be trained on how to develop and implement an eLearning platform, teachers should be equipped with some form of eLearning training to provide basis of effective teaching of computer studies topics; Nigerian secondary schools should prepare for the use of virtual learning technology, online instruction and getting students and lecturers to have access to virtual libraries; Teachers and students should be introduced to the offline eLearning platform to supplement the normal classroom teaching and learning process so that students who do not have access to the internet can benefit; and for e-learning to be sustainable, provision should be made on how the less privileged can get access to the use of a computer and afford the expenses involved particularly in data accessibility. Further recommendations and implications of the findings are:

- I. Emphasis on the inclusion of eLearning platform in the National Curriculum for Secondary Schools;
- II. Teachers should be trained on how to develop, implement an eLearning platform, teachers should be equipped with some form of eLearning training to provide basis of effective teaching of computer topics; and
- III. The need to carry out detail research involving case studies based on survey questionnaires involving various learning institutions which will ultimately give a better understanding of

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EFFECT OF e-GOVERNANCE ON TEACHING AND LEARNING IN NATIONAL OPEN UNIVERSITY OF NIGERIA (NOUN)

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ABSTRACT

The study therefore examined effect of e-governance on teaching and learning in “National Open University of Nigeria (NOUN)”. Technology Acceptance Model (TAM) was adopted as theoretical framework. Primary and secondary method of data collection utilized. A chi-square statistical technique was used to analyze the data. Finding from the study revealed e-governance in National Open University of Nigeria has increased accesses to universities educational in Nigeria through the use of e-learning platform. The e-governance through the use of e-registration has enhanced easy administrative process in National Open University of Nigeria. The study therefore recommends that, the management of National Open University of Nigeria should improve on the use of e-learning platform in order to provide more access to universities educational in Nigeria. The management of National Open University of Nigeria should improve on the internet network so as to ease the use of e-registration thereby reduces stress among the staff and students.

Keyword: e-governance, Informational Technology, National Open University of Nigeria (NOUN), teaching and learning

INTRODUCTION

e-governance plays a essential function in sharing knowledge information between government and citizens and transforming the way in which governments and citizens interact. “In 2004, the National E-Government Strategy Limited was established to co-ordinate the framework for the gradual roll-out of national e-governance activities. Although, Nigerian government has made it mandatory for public officers to undergo ICT training for the purpose of furthering e-governance in public service”.

Federal government of Nigeria integrated into the e-governance initiative include; “E-passport programmed of Nigerian immigration, Abuja Geographical Information System (AGIS) online land registration, National Youth Service Corps (NYSC online), West African Examination Council (WAEC) direct, Joint Admissions and Matriculation Board (JAMB), Automated System for Customs Data (ASTCUDA), National Examination Council (NECO), Post-cash of Nigeria postal service, Electronic Voters Registrations, On-line payment of fees in most tertiary institutions, On-line display of admission into most Nigerian Universities, Electronically Central Motor Registration (ECMR) records and other proposed electronic public service delivery exists in public service agencies” (Adeyemo, 2013).

“National Open University of Nigeria (NOUN)” adopted e-governance initiated in 2004 to promote effective teaching and learning. Different literature reviews reveal that “e-governance is one part of overall administration of education institutions which mainly covers general and day-to-day operational activities. Hence, it could say that e-governance cycle in Universities includes three major components namely; Student Administration, Staff Administration, and General Administration. Student administration involves various activities commencing from the admission process to learning activities till processing of results and performance analysis. The integration of e-governance into this process enhances the overall admission activities of higher education institutions by making it more accessible to many” (Obeng, 2004). “The important items identified under this category includes admission enquiry by students, registration/enrolment using computers, course allotment, and availability of information like timetable/class schedule in electronic form and attendance monitoring/maintenance through e-media. Staff administration includes recruitment and work, allotment of faculty and staff in the institution, their attendance and leave management, and performance appraisal” (Obeng, 2004).

NOUN and others Universities administration in Nigeria and abroad adopted e-governance to: “enhance usage of electronic media by students to apply for admissions; usage of computers for student registration/ enrolment; availability of timetable/class schedule in electronic form; usage of computers for maintenance of attendance of students; communication of academic details of students to their parents/guardians through e-media; usage of e-media for notifications; usage of computers for recruitment and work allotment of staff; automation of attendance and leave management of staff members sage of electronic media for performance appraisal communication with staff using e-media; e-circulars from the institution regarding official matters; usage of e-media for scheduling/allocation of halls for examinations; dissemination of information in the institution

through e-kiosks; usage of e-media for the processing and display of results of students and fees payments electronically”. This study therefore seeks to examine the effect of e-governance on service delivery in National Open University of Nigeria (NOUN).

“The law establishing National Open University provided in Section 5 Paragraphs 40, Sub-section A of the National Policy Education (1977) stated that, *Maximum efforts will be made to enable those who can benefit from higher education to be given access to it, such access may be through universities or correspondence courses, or open universities, or part-time and work-study programmes*” (National Policy Education, 1977:23).

The “National Open University of Nigeria (NOUN) has become a leading ODL institution in Africa providing functional, flexible, accessible and cost-effective education for all who seek knowledge. It currently has 78 Study Centres spread across the six geo-political zones of the country and its current student population stands at over Five Hundred Thousand (NOUN Bulletin, 2018)”. In recent times “COVID 19 pandemic in Nigeria further push for the conduct of online academic activities in the National Open University of Nigeria. In order to achieve the mandate of providing functional, flexible, accessible and cost-effective education for all, NOUN leveraged on e-governance using Information and Communication Technology (ICT) to deliver an education tailored towards the globalized economy. This is meant to fill the gaps created by the conventional universities were easy access; flexibility and effective administrative system are lacking”. “After Twenty years (20) its existence, Has the university provide easy and flexible education using e-governance platform such as e-learning, e-registration, e-payment and e-assessment of student result)? This study tends find out how effective is the e-governance on service delivery in National Open University of Nigeria. This study is seeks to answer the following research questions”:

1. “How effective is the e-learning platform (Zoom and Virtual Learning Environment) on service delivery in National Open University of Nigeria?
2. How effective is the e-registration on service delivery in National Open University of Nigeria National Open University of Nigeria?

The main objective of this study is to examine the effect of e-governance on service delivery of National Open University of Nigeria. Other specific objectives of the study are:

- i. To find out the effectiveness of e-learning platform (Zoom and Virtual Learning Environment) on service delivery in National Open University of Nigeria.
- ii. To examine the effectiveness of e-registration on service delivery in National Open University of Nigeria”.

For the purpose of answering our research the following null hypotheses are formulated:

- i. Ho: “There is no significance relationship between effectiveness of e-learning platform (Zoom and Virtual Learning Environment) on service delivery in National Open University of Nigeria.
- ii. Ho: There is no significance relationship between e-registration and service delivery in National Open University of Nigeria”.

2.0 Conceptual Framework

2.1 Concept of E-governance

Adeyemo (2013) said that, “despite the low rankings accorded to Nigeria by the international community, government at various levels is still putting more efforts to encourage the growth of e-governance. This above definition failed to capture the effect of e-governance on service delivery in National Open University of Nigeria which this study seeks to fine out”.

E-governance initially began as “process where government entities developed websites and began populating these sites with information. After mastering this information dissemination aspect, government units moved toward processing online transactions”.

Contrary to the position held by Adeyemo, (2013) on the e-governance, Ojo (2014) held that “e-governance centre on “constituencies and stakeholders” which can include government or public sector organizations at all levels, be it, local, state, federal or international. E-government refers to government establishments (local, state or federal) as they provide services utilizing, web-based formats or ICTs in general, on the other hand, e-governance refers to the “administration and management” of government activities and service deliveries through the application of ICTs (Ojo, 2014)”.

From the above definition emphasis was on the application of e-governance among the three tier of government (local, state or federal). Therefore, the application of e-governance among the tier of government may not reflect its application in the university system. This study therefore defines e-governance as the application of internet based facilities to service delivery in University system.

2.3 Component of E-Governance in Universities

Concept of e-registration

According to Al-Shaikh (2010), e-registration is an online system that “allows users to sign up for memberships, events and training by completing a form electronically in a specific platform popularly known as websites. From the above definition, e-registration is electronic systems that

have are replaced manual processes, such as registering by telephone, mail or at events using paper forms. Many universities and educational institutions have a wide range of courses, students and faculty that make use of online platform. e-Registering is therefore an online process that reduces paperwork, personnel cost and conserves resources". It has been defined by Chaka and Mungadzi (2013) as a "system where students register their courses online. The system are programme to recognized all the courses that are available in each semester and also knows which ones is applicable to each discipline the institution offers. It makes sure that a student can't register for too many courses, and that a course is not oversubscribed" (Chaka and Mungadzi, 2013).

"e-registration also deals with Online Course Registration System (OCRS) There are a number of online registration systems that have been made in different context and to suit the need arising". Gunawardana, Ishara, Ragel and Radhakrishnan (2008), researched on "the online course registration for the faculty of engineering in university of Peradeniya and in their research they generated a solution named Online Registration. The project was divided into three namely, Online Registration which is the start-up project of their system, and depending on Data Access and Web security.

2.4 Concept of E-Learning

e-learning is one of the "educational outcomes that have surfaced from the development of ICT. Its general concept is essentially learning which involves the usage of any electronic device, from computers to mobile phones, and which might, or might not, involve the usage of the internet (Web sites+ other applications) or an intranet (Local network system)". e-learning could be "presented through several resources, for example: computer software and internet websites. Moreover, other applications have been developed specifically for e-learning, such as Virtual Learning Environments (VLEs), which provide the user or the learner with numerous facilities like 25 comfortable access to learning materials, communication with lecturers or trainers and the other peers. The VLE provides flexible access to learning, as it can be accessed anywhere and anytime (Adam & Healy, 2000). There are many authors who have a positive view of e-learning".

2.5 Review of Empirical Studies

United Nations (2018) examined "e-governance and service delivery in higher institution in developing countries. The study revealed that, the basic e-governance delivery services in higher institution are the use of online services through mobile apps. This study conducted by United

Nations (2018) only examines e-governance and service delivery in higher institution in developing countries did not examine the application of e-governance in Nigeria”.

Wikus, (2017) assessed “*e-Government & Public Service Delivery: Enabling ICT to put “People First” A Case Study from South Africa*”. The study revealed that, *e-Government has influences Public Service Delivery through the use of ICT facilities with People focused based enabler in South Africa*”.

Abdullahi, (2016) examined “e-governance and public service delivery in Nigeria: A digital solution.” The study revealed that, e-governance is the real digital solution to service delivery in the Public Service”.

Jovana (2014) examined “e-Learning Implementation in Developing Countries: Perspectives and Obstacles. In-depth interviews were conducted to get a more extensive picture of educational institutions that use e-learning in the teaching process”. “The results of this research indicate that E-learning nowadays plays an important role in teaching because it is oriented toward the use of information and communication technologies that have become a part of the everyday life and day-to-day business. E-learning contributes to traditional teaching methods and provides many advantages to society and citizens. But the potential implementation of e-learning in developing countries faces a number of obstacles, mainly due to the restricted resources of professors and institutions measured both in time and financial terms”.

However, from empirical studies reviewed above none of the study discussed or carryout study on the effect of ICT on service delivery with reference to National Open University of Nigeria. This study will therefore cover the research gap.

2.6 Theoretical framework

The “Technology Acceptance Model (TAM)” was adopted in the study. The theory was proposed by Davis, Bagozzi, Warshaw in 1989. “Technology Acceptance Model (TAM) emphasises the acceptability of an information system. The objective of this model is to predict the acceptability of a tool for use and to identify the modifications which must be brought to the system in order to make it acceptable to users. This model suggests that the acceptability of an information system is determined by two main factors: perceived usefulness and perceived ease of use” (Venkatesh, Morris, Davis and Davis, 2003). “TAM posits that perceived usefulness and perceived ease of use determine an individual's intention which serves as a mediator of actual system use. Perceived usefulness is also seen as being directly impacted by ease of use” (Venkatesh, Morris, Davis and Davis, 2003). “The theory is applicable to the practice of e-governance in the Nigerian public sector. Technology Acceptance Model is relevant to the Nigerian civil service as it explains the

role played by self-efficacy, perceived cost, technological infrastructure, power supply, and internet facilities to support the adoption of e-governance. The application of Technology Acceptance Model (TAM) is enhanced due to its simplicity together with the predictive authority which makes its application easy to different situations” (Venkatesh, 2000).

This model is “useful in explaining the acceptance, application, relevance and effectiveness of modern technologies in information sharing among citizens, literacy level and galvanises public service delivery. The application of TAM to a study like this underscores user's technological behaviour and actual utilization. From the unit of analysis and with the assumptions of the Technology Acceptance Model (TAM), the model is relevant and applicable to the discussion of e-governance implementation and public service delivery in Nigeria”

3.0 Methods and Materials

Survey and documentary research design method was utilized by the researcher. The survey design was adopted questionnaire was used as the instrument for primary data collection. However, quantitative descriptive design was used to answer the research question(s) and/or analyze specific hypothesis.

The population of this study comprises of Students and staff of **the** National Open University of Nigeria Abuja Study Centre. “Stratified and simple random sampling technique was used to select a representative population for the study. Purposive random sampling technique was used to select representative sample from two strata: staff and Students”.

“The total population of the study is 127, 213 which comprise of 127, 186 Student and 27 staff. This number was obtained from the office of university Deputy Registrar. **Krejcie & Morgan** sample size determination was used to determine the sample size for student's category”. The Formula is stated as:

$$n = \frac{X^2 NP (1-P)}{d^2 (N-1) + X^2 P (1-P)}$$

s = “required sample size.

X^2 = the table value of chi-square for 1 degree of freedom at the desired confidence level (3.841).

N = the population size.

P = the population proportion (assumed to be .50 since this would provide the maximum sample size).

d = the degree of accuracy expressed as a proportion (.05).

$$\begin{aligned}
 s &= \frac{3.84(127, 213) (0.5) (1-0.5)}{0.0025 (127, 213-1) + 3.84(0.5) (1-0.5)} \\
 &= \frac{3.84(127, 213) (0.5) (0.5)}{0.0025 (127, 213) + 3.84(0.5) (0.5)} \\
 &= \frac{122124.48}{318.03+0.96} \\
 &= \frac{122124.48}{318.99} \quad \text{Sample size} = 383
 \end{aligned}$$

Secondary data sources enable “the researcher to retrieved materials from appropriate authorities. The data were collected from the University electronic database and interviews information from management of staff of the ICT Unit of the University. Other materials were obtained from students Admission procedure data bases, statistical data on students registered using electronic system, ICT annual performance's report, University official's bulletins, and publication on University official's website”.

Chi-square score was used to analyze the research hypothesis. The hypothesis was tested at 5% level of significance. “Data from the questionnaire and interview were collected and analyzed with techniques that enable the hypothesis to be tested and a descriptive analysis was made. In testing the hypothesis, the chi-square (X²) statistical formula was used. The chi-square computation formula is presented as”:

$$X^2 = (fo-fe)^2/Fe$$

Where

X² = Chi – square

fo = Observed frequencies

fe = Expected frequencies

“The test was made at 5% error or level of significance. If the computed X², is less than the critical X² the null hypothesis (H₀) is accepted. If otherwise, H₀ is rejected while the alternative Hypothesis (H_i) is accepted.

The strength of the relationship between the categorical variable were estimated to ascertain the level of relationship between the variables that may be needed from the computed chi-square (X²)”.

4.0 Result and Discussion

Test of Hypothesis I

“There is no significance between effectiveness of e-learning platform (Zoom and Virtual Learning Environment) on service delivery in National Open University of Nigeria

Table 1: Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	201.505 ^a	1	.000		
Continuity Correction ^b	198.039	1	.000		
Likelihood Ratio	250.909	1	.000		
Fisher's Exact Test				.000	.000
Linear-by-Linear Association	200.815	1	.000		
N of Valid Cases	292				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 47.11.

b. Computed only for a 2x2 table

The test was made at 5% error or level of significance. If the computed X^2 , is less than the critical X^2 the null hypothesis (H_0) is accepted. If otherwise, H_0 is rejected while the alternative Hypothesis (H_i) is accepted

Chi-square calculated = 90.49”

“Degree of freedom (df) = (R-1) (C-1)

$$= (2-1) (2-1)$$

$$= 2 \times 1$$

$$Df = 2$$

$$\text{Table value} = 3.84$$

X^2 calculated is greater than table value

$$X^2 \text{ calculated} = 201.50$$

$$X^2 \text{ table value} = 3.84$$

Since the calculated is greater than table value. On the bases on our decision rule (alternative hypothesis) is accepted and null hypothesis (H_0) is rejected”.

Therefore, we reject the null hypothesis which stated that, “there is no significance relationship between effectiveness of e-learning platform (Zoom and Virtual Learning Environment) on service delivery in National Open University of Nigeria. We therefore accept the alternative hypothesis which stated that, there is significance relationship between effectiveness of e-learning platform (Zoom and Virtual Learning Environment) on service delivery in National Open University of Nigeria. We conclude that, e-learning platform (Zoom and Virtual Learning Environment) have been effective on service delivery in National Open University of Nigeria”. This finding is in line with the study conducted by Jovana (2014) whose study also revealed that, “E-learning nowadays plays an important role in teaching because it is oriented toward the use of information and communication technologies that have become a part of the everyday life and day-to-day business. E-learning contributes to traditional teaching methods and provides many advantages to society and citizens. This finding also conformed to the study conducted by United Nations (2018) which study revealed that, the basic e-governance delivery services in higher institution are the use of online services through mobile apps”.

Test of Hypothesis II

“There is no significance between e-registration and service delivery in National Open University of Nigeria

Table 2: Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	239.930 ^a	1	.000	.000	.000
Continuity Correction ^b	236.226	1	.000		
Likelihood Ratio	304.141	1	.000		
Fisher's Exact Test					
Linear-by-Linear Association	239.109	1	.000		
N of Valid Cases	292				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 52.49.

b. Computed only for a 2x2 table

The test was made at 5% error or level of significance. If the computed X^2 , is less than the critical X^2 the null hypothesis (H_0) is accepted. If otherwise, H_0 is rejected while the alternative Hypothesis (H_i) is accepted

Chi-square calculated = 239.93

Degree of freedom (df) = (R-1) (C-1)

$$= (2-1) (2-1)$$

$$= 2 \times 1$$

$$Df = 2$$

Table value = 3.84

X^2 calculated is greater than table value

X^2 calculated = 239.9

X^2 table value = 3.84

Since the calculated is greater than table value. On the bases on our decision rule if I (alternative hypothesis) is accepted and null hypothesis (H_0) is rejected”.

Therefore, we reject the null hypothesis which stated that, “there is no significance between e-registration and service delivery in National Open University of Nigeria. We therefore accept the alternative hypothesis which stated that, there is significance between e-registration and service in National Open University of Nigeria. We conclude that, e-registration has enhanced efficiency of service in National Open University of Nigeria. This finding collaborated with the study conducted by Adwoa and Tiwaah Frimpong Kwapong (2008) whose study also revealed that, e-governance has made significant on service delivery in Ghana University. The result shows that, ICT is working has total transformation of university education in Ghana. This finding collaborated with the study conducted by Wikus, (2017) whose study also revealed that, e-Government has influences Public Service Delivery through the use of ICT facilities with People focused based enabler in South Africa”.

5.0 Conclusion

e-Governance in **National Open University of Nigeria** has improved service delivery using e-learning platform. This has helped the institution to achieve its mandate of easy and flexible access university education in Nigeria. The study concludes that, “use of e-learning platform has improved the teaching and learning in **National Open University of Nigeria**. The study concludes that, e-governance has improved administrative and management system in National Open University of Nigeria use of e-registration platform”. Administrative processes such as student registration, data base management information system and for retrieval of information

are made easy and simple for student.

6.0 Recommendations

1. Lecturers and students should be effectively trained on how to use technology to help the learning process. The ability to interact meaningfully in the online discourse needs to be improved. The institutions should train students to communicate effectively with other learners and lecturers in order to be familiar with the online learning environment.
2. **University management should improve on the internet network** so as to ease the challenges associated with the use of e-registration platform thereby reduces stress among the staff and students.

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THE ROLE OF THE NATIONAL AGENCY FOR POVERTY ERADICATION PROGRAMME ON POVERTY REDUCTION IN NASARAWA STATE, NIGERIA

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ABSTRACT

There is no state or local government in Nigeria that is absolutely free from poverty, thus, Nigeria government at the centre introduced the “National Poverty Eradication Programme” in 2001 to empower the people by reducing poverty among the populace. This study evaluates the effect of National Poverty Eradication Programme on poverty reduction in Nasarawa State. Structural functionalism was adopted as theoretical framework. The study uses survey research method, qualitative and quantitative method of data collection was utilized. The study used descriptive and inferential statistics to present and analyzed the data. Finding from the study reveals that, “National Poverty Eradication Programme” to some extent has achieved its objective in the area of training youth on vocational trades, supporting women and youth with micro credit and engendering entrepreneurship culture in Nasarawa State. The results of the study form the bases for policy recommendations especially in the area of ICT, automobile policy, agriculture, financial service. The study recommends that, NAPEP should support more women and youth with micro credit in order establish economic activities to further reduced poverty in Nasarawa State. More so, “National Poverty Eradication Programme (NAPEP)” should take the advantage of the new automobile policy to train youth and generation employment in Nasarawa State.

Keywords: “National Poverty Eradication Programme (NAPEP)”, poverty, performance, poverty reduction, Nasarawa State

INTRODUCTION

There are concerns among the policy makers and the general public on the rising level of poverty in Nigeria and the need for its eradication as a means of improving the standard of living of the people has led to the conceptualization and implementation of various targeted or non-targeted poverty eradication and alleviation-programmes. “Both the Nigerian government and other donors such as United State Agency International Development (USAID), Country Women Association of Nigeria (COWAN), Family Health Care Foundation (FAHCF), and Community Participation for Action in the Social Sector (COMPASS), United Nations Development Programme (UNDP) and International Labour Organization have been active in an efforts to analyze and finding solutions to the increase of poverty level through the following programmes (Olugbode, 2021)”: “The Directorate of Food, Roads and Rural Infrastructure (D.F.F.R.I) was established in 1986 by General Ibrahim Babangida administration; The National Directorate of Employment (NDE) was established in November 1986 by Babangida administration; the establishment of the Peoples Bank of Nigeria in October 1989 by the same administration; The Better Life Programme (BLP) was established in September 1987; The Family Support Programme (FSP) was established in 1994 by General Sani Abacha; The Agricultural Development Projects (ADPs) were first launched in 1972 by General Yakubu Gowon; National Agricultural Land Development Authority (NALDA) was established in 1992 by Babangida administration; The Nomadic and Adult Education Programme was established in 1989 by Babangida administration and poverty reduction programme known as National Poverty Eradication Programme (NAPEP) was established in 2001 by President Olusegun Obasanjo (Olugbode, 2021)”.

“National Poverty Eradication Programme” in Nasarawa State begin operation in 2002 to achieve the following; (i) “promote grass roots economic activities, (ii) impact positively on the wellbeing and level of living of participants, (iii) promote sustainability of micro finance through savings mobilization, (iv) provide access to credit at the grass root level, (v) bring the interest rates (for the low income, rural populace) into a more encouraging level, (vi) increase the participation of the poor in the economic growth and development of the country, (vii) stimulate increased economic activities in the rural areas, and (viii) strengthen partnership between the federal government and other tiers of government in combating poverty among the Nigerian people. Some the activities carry out by NAPEP to achieve its objectives include; training youths in vocational trades, to support internship, to support micro-credit, create employment in the automobile industry, engender entrepreneurship culture and help VVF Patients” (NAPEP, 2002). However, “in spite of the above intentions with funds voted for these programmes, Poverty rate in Nasarawa State remains high and the living standard continues to decline” (Obadan, 2008).

There are various studies conducted on “National Poverty Eradication Programme” in Nigeria. But these studies have limitation that has created gap that requires further study. For instance, studies conducted by Anyebe (2015) assessed “Poverty Eradication Programme (NAPEP) in Nigeria”; Taiwo &, Agwu (2016) examined “problems and prospects of poverty alleviation programmes in Nigeria” while Onimisi (2014) examined “Policy Implementation and the Challenges of Poverty Alleviation in Nigeria”. The above studies has created research gap because; first, the scopes of these studies are too broad because it covers the whole country. It will be difficult to generate empirical data from large population of Nigeria. Secondly, the above studies solely relied on secondary data which cannot be generalized. Thirdly, the research design and method of data collection were not properly defined by these authors. Lastly, none of the above studies specific examine the effort of National Poverty Eradication Programme on poverty reduction in Nasarawa State. It is view of the above limitation this current study seeks to find out whether “National Poverty Eradication Programme” has reduce poverty in Nasarawa State between 2013 – 2019. The study posed the following research questions

- i. To what extent has the “National Poverty Eradication Programme” (NAPEP) trained youth on vocational trades in Nasarawa State?
- ii. Has the “National Poverty Eradication Programme” (NAPEP) supported women and youth with micro credit in Nasarawa State?

The broad “objective of this study is to assess the impact of the National Poverty Eradication Programme (NAPEP) on poverty reduction in Nasarawa State- Nigeria”. Hypothesis were formulated to guide the study is as follows;

- i. “There is no significant relationship between National Poverty Eradication Programme (NAPEP) and training of youth on vocational trades in Nasarawa State”.
- ii. “There is no significant relationship between National Poverty Eradication Programme (NAPEP) and supporting women and youth with micro credit in Nasarawa State”.

2.0 Conceptual Review

2.1 Concept of “Poverty”

Empirical literatures on poverty show that “there is no standard concept or definition of poverty because of its multidimensional nature as well as its dynamic properties. It is appropriate to note that poverty assumes political, social, and economic dimensions. The social dimension of poverty includes lack of access to health care etc. The political dimension of poverty exist where civil right

are divided and political power rest in the hands of few people. While the economic dimension of poverty is broader than lack of finance, it includes lack of employment opportunity and even distribution of resources to the factors beyond their control” (Department for International Development (DIFD), 2012). Definition of poverty in Nigeria according World Bank indicates that “there are differences between regions in the concentration of poor and the rich in the society. According to the study, poverty varies from the north to the south as earlier mentioned above, with more concentration of the poor in the North, agro–climate zone” (“World Bank”, 2016).

Aluko (2013) defined poverty “as lack of command over basic consumption needs such as food, clothing and or shelter. Such as lack of resources to meet the basic needs and claimed incapacitates of the individual in protecting himself against social, economic and political deprivations” objectives”.

Aliyu (2012) defines poverty “as the condition in which a person is enabled to meet minimum basic requirements of food, health, housing, education and clothing”.

The World Development Report (2018) reported that “71% of Nigerians are living below the international poverty line of \$1 per day while 92% are below the \$2 a day poverty line. One important contributory factor to poverty is the dearth of formal employment to absorb the rural-urban migrants as well as graduates from the educational system that are unemployed and seeking wage work in the urban informal sector” (Eglama and Bamidele, 2017). Aliyu (2012) stated that “several types of poverty may be distinguished depending on such factors as, time or duration (long or short terms and cyclical”. “Poverty may be widespread throughout a population, but the occurrence itself is limited to direction and distribution (widespread, concentrated individuals). It can also involve relatively permanent insufficiency of means of securing basic needs. Poverty describes the average level of life in a large group in concentrated or relatively large groups within a community”.

2.2 Review of Poverty Alleviation Programme in Nigeria

Successive governments introduced some poverty alleviation programmes. “About twenty four poverty eradication initiatives and programmes to combat the dreaded monster of poverty and unemployment have been set up by federal government since 1970 to 2007”. “Prominent among them was Operation Feed the Nation (OFN); Directorate of Food, Roads and Rural Infrastructure (DFFRI); National Accelerated Food Production Programmes (NAEFPP); The National Directorate of Employment (NDE); the establishment of the Peoples Bank of Nigeria in 1989; The Better Life Programme (BLP); The Family Support Programme (FSP); The Agricultural Development Programme (ADP); National Agricultural Land Development Authority (NALDA); The Nomadic and Adult Education Programme and poverty reduction programme known as

National Poverty Eradication Programme (NAPEP)". "National poverty eradication programmes (NAPEP) in January 2001 as a contingent to tackle the issues of poverty in the country" (Alaye-Ogan, 2008).

"The objective of National Accelerated Food Production Programmes (NAEFPP) was to ensure self-sufficiency and self-reliance in food production by the agricultural while Operation Feed the Nation (OFN) was introduced in 1976 by Obasanjo's regime with a view to accelerating agricultural production embarked on removing possible constraints to increased food production and the provision of infrastructure and other inputs. The programme was accompanied by three other complementary institutions or project designed to make it function effectively. These institutions or projects include the Nigeria Agricultural and Cooperative Bank (NACB), Agriculture Development Project (ADP) in each of the States of the Federation and River Basin Development Authority (RBDA). ADP however, was a World Bank assisted project" (Alaye-Ogan, 2008). "During the second republic the administration of Alhaji Shehu Shagari dropped the Operation Feed the Nation (OFN) and substituted it with three complementary institutions of the former programmes (Nigeria Agricultural and Cooperative Bank (NACB), Agriculture Development Project (ADP) in each of the States of the Federation and River Basin Development Authority (RBDA)" (Alaye-Ogan, 2008). The "Military administration of Ibrahim Babangida in 1985 created National Directorate of employment (NDE) Comprising of the following programmes:

- i. Small scale Industries
- ii. Graduate Employment
- iii. Special Public work vocational skills development
- iv. Agriculture" (Alaye-Ogan, 2008).

Others programme are; "YouWin is a youth development scheme, established in Nigeria by the Good luck Jonathan - led government to empower Nigerian Youths. The program is a Private and Public initiative that finances outstanding business plans for the young, aspiring entrepreneurs in Nigeria" (*Guardian*, 2015). And "Reinvestment and Empowerment Program known as 'SURE-P is a scheme established by the Federal Government of Nigeria during the Jonathan Administration, to re-investing the Federal Government savings from fuel subsidy removal on critical infrastructure projects and social safety net programmes with direct impact on the citizens of Nigeria" (Thisday, 2015).

2.3 Empirical Review

Anyebe (2015) assessed "performance of National Poverty Eradication Programme (NAPEP) in Nigeria. Personal interviews and documents were employed in data collection. The data were analyzed using tables, simple percentages and spearman rank correlation. The study showed among

others, that NAPEP as a programme targeted at eradicating extreme poverty has not been effective leading to a mixed bag of limited success and continuing challenges. It was therefore, recommended that the programme should be re-examined and possibly re-designed for effective performance instead of scrapping it. This scholarly paper addresses exactly what its title suggests: why increasing the minimum wage is a proper way to reduce poverty”.

Taiwo&, Agwu (2016) examined “problems and prospects of poverty alleviation programmes in Nigeria. The paper revealed that, several poverty alleviation programmes in Nigeria, the study revealed that, strengthen the existing poverty alleviation strategies and ensuring good management could be one major way towards the effective performance of existing poverty alleviation programmes”.

Aminu, & Onimisi (2014) examined “Policy Implementation and the Challenges of Poverty Alleviation in Nigeria. The study discovered that, the rising profile of poverty in Nigeria has been a source of concern to successive government. To this end, various policies and programmes have been formulated to no avail. Findings from the study shows that Top-bottom approach in tackling poverty, inadequate co-ordination of various programmes, politicization of poverty alleviation schemes as well as inconsistency in policies and programmes are some of the Challenges of Poverty Alleviation in Nigeria”.

Sylvester & Ekpenyong (2014) examined “National Poverty Eradication Programme and Poverty Reduction in Nigeria: Empirical Investigation of the Programme Impact in Cross River State. The study shows that, the implementation of NAPEP has significant impacts on the provision of micro credit facilities to entrepreneur in Cross River State. However, the results obtained called for attention to other areas of interest neglected by the programme. These were identified to include the need to harness agriculture, water and solid minerals resources and conservation efforts especially in the rural-areas where the main occupation is agriculture. This concern formed the baseline for policy recommendations”.

2.4 Theoretical Review

The study adopted Structural Functionalism as postulated by Almond (1963) for theoretical analysis. “The major understanding of structural functionalism is that the society is a system with interrelated parts. According to Varma (2003), a system is defined as an entity made up of interconnected and interrelated parts. In this theory the society is understood to be an entity with different parts which has functions to play”.

Therefore, “establishing an institution like (National Poverty Eradication Programme) and strengthen it to perform its function is the most viable way of realizing the goal of Poverty reduction

in Nasarawa. That is, poverty alleviation is to ensure that, every individual is provided with opportunities and assistant to engage in economic activities that would improve their standard of living”. Therefore, “National Poverty Eradication Programme is an institution established and strengthens by the Federal Government of Nigeria with a specific function of reducing of absolute poverty. It was designed to replace the Poverty Alleviation Programme. NAPEP goals include training youths in vocational trades, to support internship, to support micro-credit, create employment in the automobile industry, and help VVF patients”.

3.0 Research Method

This study used survey and documentary research design. The target population of this study comprises of staff at National Poverty Alleviation Programme and the beneficiaries of the programme from the three senatorial districts in Nasarawa. “Purposive and Census sampling technique was used to select the sample population. Purposive sampling technique was used to select four beneficiaries from each senatorial zone of the state. While, Census sampling technique was used to select all staff of the National Poverty Alleviation Programme as part of the 'population' for the study, entire population was used because the population size is unique and small in number”.

There are One hundred and sixteen (116) Staff of NAPEP in Nasarawa State. “Three (3) beneficiaries were selected from each of the Thirteen (13) Local Government Area of the State.

The number of beneficiaries to be interviewed amounted to Thirty Nine (39). The staff figure was taken from the NAPEP nominal roll in Nasarawa State. The thirty beneficiaries were located via their contact at NAPEP head office in Nasarawa State”.

“Data were collected from both primary and secondary sources. Primary data was collected using structured questionnaire and in-depth interviews. Inferential statistics using weighted means score statistical model was used to analyze the data. The weighted means score analysis is calculated under a defined rule as applied to accept or reject the research hypothesis:

Accept any element with weighted means score value of 2.5 and above, and

Reject any element with weighted means score value of less than 2.5 and below. This means that, research hypothesis with more 2.5 weighted means score value will be accepted while research hypothesis with less 2.5 weighted mean score value will be rejected. The weighted means score model is stated as:

$$\frac{\sum \text{Total Weighed Score}}{\text{Total Number of Responses}}$$

The analysis was done using independent variable (impact of National Poverty Alleviation

Programme) and Poverty Reduction in Nasarawa State as the dependent variable”.

Reliability and Validity of the instruments

Two different reliability measures were generated to test the survey instrument used for this research. A Cronbach's alpha test of reliability was used to establish the internal reliability of the scaled variables as a whole. The Cronbach's alpha score derived was .915, surpassing the minimum of .70 recommended by Nunnally (1978).

A second reliability measure called the Guttman Split-Half Reliability Coefficient Statistic was computed to assure reliability of the scale items. The test is designed to compare the items in the first half of the scale with the items in the second half of the scale. The obtained Guttman value was .815, suggesting strong reliability of the instrument.

Table 1: Calculation of Critical Value of Weighted Means Score

“Variable	Yes	No	Undecided	Total Number of Respondents/Score	Weighted Mean
Responses	97	52	8	157	403/157
Grading	3	2	1	-	-
Total Value	291	104	8	403/157	2.6
Decision	-	-	-	-	Accepted”

Author’s Compilation: 2021

Table 1 above shows “the result of the calculated value of weighted means score which stood at 2.6. This means that, the calculated value is scientifically significant because, the result is greater than 2.49. Therefore reject the null hypothesis which stated that, there is no significant relationship between National Poverty Eradication Programme (NAPEP) and training of youth on vocational trades in Nasarawa State and accept alternative hypothesis which stated that, there is significant relationship between National Poverty Eradication Programme (NAPEP) and training of youth on vocational trades in Nasarawa State”.

i. Test of Hypothesis 2

“There is no significant relationship between National Poverty Eradication Programme (NAPEP) and supporting women and youth with micro credit in Nasarawa State.

Table 2: Calculation of Critical Value of Weighted Means Score

Variable	Yes	No	Undecided	Total Number of Respondents/Score	Weighted Mean
Responses	115	30	12	157	417/157
Grading	3	2	1	-	-
Total Value	345	60	12	417/157	2.6
Decision	-	-	-	-	Accepted

Author's Compilation: 2021

Table 2 above shows the result of the calculated value of weighted means score which stood at 2.6. This means that, the calculated value is scientifically significant because, the result is greater than 2.49. Therefore reject the null hypothesis which stated that, there is no significant relationship between National Poverty Eradication Programme (NAPEP) and supporting women and youth with micro credit in Nasarawa State accept alternative hypothesis which stated that, there is significant relationship between National Poverty Eradication Programme (NAPEP) and supporting women and youth with micro credit in Nasarawa State”.

Interview Response

Question 1

Did you receive any training from NAPEP?

Fourteen (14) Participants out of “the 15 sampled populations interviewed; agreed that, they received training from NAPEP. They further explained that, the training was basically on farming and vocational training while a few others who had basic educational level trained on computer usage”.

Question 2

Did you ever receive any credit from NAPEP?

“Out of the 39 sampled populations interviewed; Twelve (36) Participants agreed that, they were privileged to receive credit facility from NAPEP. This credit facility was given under the Capacity Acquisition Programme and the Multi-Partner Microfinance. Under the CAP, the sum of N65,000.00 is given to beneficiary. Under the Community Based Organizations (CBOs) each beneficiary is given N100,000.00”

Table 3: Mention any kind of support you received from NAPEP in Nasarawa State?

Equipment received	Number of Beneficiaries
Purchase of irrigation pumps	9
Sewing machines	10
Knitting machines	6
Grinding machines	4
Tricycles	7
Other farm implement	3
Total	39

Source: Interviewed, 2021

Table 4.11 above shows that, out of 15 participants interviewed, “one (1) participant received irrigation pumps from NAPEP for agricultural production, Six (6) participants received sewing machines, one (1) participant received Knitting machines, three (3) participants received Grinding machines tricycles while the remaining two (2) participant received other farm implement such as seeds”.

Table 4: In what ways did NAPEP programme benefits you?

Area of Benefit	Number of Beneficiary
Improving the quality of life	6
Skill acquisition	18
Increase awareness	2
Self-reliance	12

Source: Interviewed, 2021

Table 4.6 above shows that, “out of 39 participants interviewed, Six (6) of them agreed that, NAPEP has improved the quality of their lives; Eighteen (18) agreed that, NAPEP has improved their skills through vocational training. Two (2) agreed that NAPEP has increasing awareness on role of government toward eradicating poverty in the State while Twelve (12) agreed that, NAPEP has made them self-reliance and independent income earners”.

5.0 Discussion of Findings

Result of the study that “the National Poverty Eradication Programme (NAPEP) to some extent has helped to trained youth on vocational trades in Nasarawa State. This finding is contrary to the study conducted by Aminu, & Onimisi (2014) who discover that the rising profile of poverty in Nigeria has been a source of concern to successive government and that various policies and programmes have been formulated without any positive result”.

Result of the study that, “National Poverty Eradication Programme (NAPEP) to some extent has supported women and youth with micro credit in Nasarawa State. The credit facilities were used to expand economic activities by the beneficiaries of funds. This finding is contrary to the study conducted by Ayenbe (2015) which revealed that, NAPEP as a programme targeted at eradicating extreme poverty has not been effective leading to a mixed bag of limited success and continuing challenges”.

6.0 Conclusion and Recommendations

“National Poverty Eradication Programme (NAPEP) is a programme initiated by the Federal government to eradicate all forms of extreme poverty. It was discovered that, “progress were made on some aspect of the programme while other aspect of the programme are still weak in term of implementation. The programme has made significant progress in the area of youth vocational training on trades and supporting women and youth with micro credit in Nasarawa State. But other mandate such as employment generation in the automobile industry and assisting patients with Vesico-vaginal Fistula (VVF) has received little or no attention from the programme in Nasarawa State. National Poverty Eradication Programme (NAPEP) to some extent has achieved its objective in the area of engendering entrepreneurship culture in Nasarawa State”.

However, “the results of the study form the bases for policy recommendations especially in the area of ICT, automobile policy, agriculture, financial service to further empower more youth and women in Nasarawa State”.

- i. “NAPEP should support more women and youth with micro credit in order establish economic activities to further reduced poverty in Nasarawa State.
- ii. National Poverty Eradication Programme (NAPEP) should take the advantage of the new automobile policy to train youth and generation employment in Nasarawa State.
- iii. National Poverty Eradication Programme (NAPEP) such sustains its achievement in engendering entrepreneurship culture in Nasarawa State”.

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**ASSESSING THE IMPACT OF CONTRIBUTORY PENSION
SCHEME ON ACADEMIC STAFF OF STATE TERTIARY
INSTITUTIONS IN BAUCHI STATE**

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ABSTRACT

The contribution pension scheme has changed the way academic staff go about their retirement plan. The adaptation of this scheme is to provide security after retirement. The objective of this research is to examine the impact of contributory pension scheme on the affective commitment of academic staff in State tertiary institutions in Bauchi State. The researchers used descriptive survey design; Data collected were analyzed using inferential statistics and SPSS 23.0 as five point likert scale as its major instrument. The primary source of data was obtained, Kruskawalis test (H) was employed to test the significance of the research hypotheses; Bowley's proportional allocation formula was used to determine each institutions contribution to the sample size. The study focuses five institutions in the states where CPS practiced. The population involved 611 academic staff from where Taro Yamene was used to select a sample of 242 academic staff. The Positive Theory of Social Security was adopted in the study. The findings show that contributory pension scheme can increase the self-esteem of academic staff in state tertiary institutions. The paper concluded that complex work conditions that are necessitating towards safeguarding and sustainable assurance of the employees will ensure the social needs of unionism of the academic staff to meet the obligation of their academic staff. It maintains that State tertiary institutions should not only continue with the CPS but should ensure early remittance. Paying competitive salaries using salary scale of federal government tertiary institutions.

Keywords: Academic Staff, Commitment, Contributory Pension Scheme, Employees, State-universities.

Introduction

World-wide, even in the most advanced economies of the world, like the United State of America (USA), United Kingdom (UK), and France, Pension administration and issues related to the dealing of the aged and the infirmed pose very deep and troubling problems (**Adeniji, 2016**). The difference as observed by Kolawole (2015) between advanced societies and ours however is the sense that, the power of mind, creative thinking and planning are brought to bear on complex social problems. Many countries have shifted from the public pay-as-you-go social safety to the defined contributory pension scheme drawing from the Chilean involvement with a variety of individual appearances (Daykin, 2015).

In a nation where government societal services is at its ebb, where there is no government program for the aged, where cost of living is on continuous increase and expected life span on the decrease, the fear of indecision is often the pain of workers who are about to exit their employment. The joy of every worker is to meet their instant requirements and have savings to overwhelm the rainy days ahead (Abdullahi, 2017). In order to ensure that workers do not leave the office after contributing their youthful days in the service of organizations, pension scheme was introduced. In Nigeria, before the 2004 pension scheme reform, only workers that retired from government owned establishment enjoyed pension (Blake, 2019). This and relative job security led for government employment even by those profitably employed in the public/private sector. The above scenario may be partly answerable to the monetization of the employment process in government establishment in Nigeria especially those that are regarded as grade A ministries and parastatals. Despite this weakness for government sector employment, the management of the defined benefits pension scheme (DBPS) left much to be desired. Government from federal to states recognized pension boards to organize the management of pension scheme procedures with little excellence in pension scheme service delivery (Boxall, & Macky, 2019).

Pension according to Ahmed, Abayomi and Nureni (2016), is the amount set aside either by manager or worker or both to ensure that at retirement, there is something for workers to fall back on as income. It is referred to as a sum set aside for retirement purposes. It is a form of arrangement that hopes that at retirement, retirees will not be stranded financially. Furthermore, pension reform is not a new issue in any part of the world. It is usually a continuous process especially with the ever changing economic and political processes witnessed everywhere in the world (Blake, 2019). Pension is an amount paid by government or corporation to an employee after working for some specific period of time, considered too old or ill to work or have reached the legal/statutory age of retirement (Adams, 2018). Iwu (2017) mentioned that as a scheme, pension is the periodic payment decided to an employee for services rendered, based on contractual legal enforceable agreement, paid by an employer at the agree time of end of employment.

Highlighting the essence of a pension scheme in an organization, Sterns (2016) states that pensions could discourage labor turnover. If both the employees and employers fund to the scheme, then it serves as a general area of joint notice and cooperation and therefore helps to foster better employment relationships. He stated further that pension administration involves of five basic elements namely: flexibility; that is, to be able to cater for the needs of retirees; amount of benefits which is sum accrued to an ex -employee of an organization; finance, activity of managing pension money; contribution to cost of pension by employee and employer and death benefit that serves as a benefit for recipient of a deceased employee.

Nigeria educational sector had experience continuous and avoidable disruption of academic calendars for the past years. This invariably made the public to start doubting how effective as well as efficacy of the employees in this specific sector. But the issue here is that union commitment can also be referred to as collectivism just like Frege (2016) opined that “the concepts of union commitment and collectivism are interchangeably used”. The coming together of employees can be traced far back to the days of the colonial rules in Nigeria. However, Ahiauzu (2017) while talking about the genesis and nature of labor union undertaking in Africa quoted Yesufu (2019) that “skills organization existed in Africa long before the colonial era and the advent of industrialization on the continent”. In Lawler, (2018) as quoted in Ferris and Nethercott (2019) description, he emphasized commitment to the employer and not to the union. It must, therefore, be noted that a servant can only serve one master. That is, everything been equal, employee can only perform accordingly if loyal to the employing organization.

There is no gainsaying the fact that the academic staffs are the pivot upon which the accomplishment of the mission and vision of tertiary educational institutions is hinged. It is also incontrovertible that the reward system is an important factor in promoting employees' job involvement in any organization. It has however, been observed by the researcher that lecturers in tertiary educational institutions, most especially, the state-owned have continuously agitated for better reward system. Some of their grievances include delay in the payment of salaries and allowances arising from non-release of subventions by the government, inability of government to pay fringe benefits, irregular promotion etc., and this has resulted into strike actions, in order to press home their demands for better conditions of service.

Statement of Problem

The introduction of contributory pension scheme in Nigeria is distinct to the 2004 pension reform Act which was directed at resolving the several challenges associated with the defined benefit pension scheme in practice then. However, the contributory pension scheme cannot be said to be deprived of challenges; issues of correctness and timeliness in the remittance of benefits to the Retirement

Savings Account (RSA) by employers has come to center stage (Ijeoma, 2015).

This appears to be responsible for the general apathy, disinterest and various forms of offensive and adjustment mechanisms like absenteeism, truancy, aggression, withdrawal, rationalization and marginalization observed among some members of the academic staff in relation to the way they discharge their duties. Corroborating this observation, Ogundipe, Osawe, and Oshiyande (2020) reported that in state-owned universities, there had been irregular release of subventions by the state governments which had resulted in the delay in payment of salaries, unfair payment system, inadequate financial support to staff going on conferences and seminar, unstable promotion exercise and unfriendly work environment, leading to a number of challenges among lecturers, some of which are industrial actions, delay in marking examination scripts and submission of grades as well as the instructional approach dominated by the sale of textbook syndrome (Egbe, 2021).

There is no gainsaying the fact that the academic staffs are the pivot upon which the accomplishment of the mission and vision of tertiary educational institutions is hinged. It is also incontrovertible that the reward system is an important factor in promoting employees' job involvement in any organization. It has however, been observed by the researcher that lecturers in tertiary educational institutions, most especially, the state-owned have continuously agitated for better reward system. Some of their grievances include delay in the payment of salaries and allowances arising from non-release of subventions by the government, inability of government to pay fringe benefits, irregular promotion etc., and this has resulted into strike actions, in order to press home their demands for better conditions of service.

The end point is that employees' commitment to their organization may be influenced either positively or negatively in line with their thoughts regarding the contributory pension scheme and examining their thoughts through a confirmable scientific process is the core thrust of this paper.

Objectives of the Study

The general objective of this study is to examine how contributory pension scheme impacts on the academic staff in State tertiary institutions in Bauchi State, Nigeria. The specific objectives include;

- i. Examine the impact of contributory pension scheme on the affective commitment of academic staff in State tertiary institutions in Bauchi State, Nigeria.
- ii. Find out the impact of contributory pension scheme on the continuance commitment of academic staff in State tertiary institutions in Bauchi State, Nigeria.

Research Questions

- i. Does contributory pension scheme impact significantly on the affective commitment of academic staff in state tertiary institutions in Bauchi State, Nigeria?
- ii. To what extend does contributory pension scheme impact on the continuance commitment of

academic staff in state tertiary institutions in Bauchi State, Nigeria?

Research Hypotheses

H01: Contributory pension scheme does not impact significantly on the affective commitment of academic staff in state tertiary institutions in Bauchi State, Nigeria.

H02: Contributory pension scheme does not impact significantly on the continuance commitment of academic staff in state tertiary institutions in Bauchi State, Nigeria.

REVIEW OF RELATED LITERATURE

Contributory Pension Scheme

Discussions on contributory pension scheme may not be very clear if the concept of *pension* is not clearly explained. To Gbitse (2020), Pension specifies a payment to a worker during the retirement phase of his life to ensure his nourishment and that of his recipients after the active phase of working life. Abdullahi (2017) defined pension as the right of a worker to derive some sort of benefits upon retirement if certain conditions, such as minimum years of service or minimum age have been met. This benefit may be a lump sum called gratuity or periodic payment called pensions. According to Adams (2019) pension is the cumulative paid by administration or corporation to a worker after working for some specific period of time, considered too old or ill to work or have reached the constitutional age of retirement, It is equally seen as the monthly sum paid to a retired officer until death because the officer has worked with the group paying the sum. In the view of Ozor (2021) Pension consists of tenderness sum payment paid to an employee upon his disengagement from active service. According to him, payment is usually in monthly repayments.

He further stated that pension plans may be contributory or noncontributory; fixed or variable benefits; group or individual; insured or trustee; private or public, and single or multi-employer in Nigeria, pension administration has evolved through different phases. The most recent in practice is the contributory pension scheme (CPS) which is a product of the 2004 pension reform act. Elumelu (2018) posits the 2004 pension reform act established a uniform contributory; private sector managed and fully funded pension system for both the public and private sector of the country. The pension reform act 2004 was also established to address the established loopholes in the old defined benefit pension scheme and provide adequate resources to retirees after retirement from the service. Ahmed, Abayomi and Nureni (2016) defined contributory pension scheme as a entirely funded pension scheme that produces adequate funds through certain percentage of donations from monthly incomes by both employee and manager through a form of savings. A major advantage of CPS according to Orszag and Orszag, (2017), is that with the instructed investments in private assets, it

has the possibilities to contribute to the development of capital markets. A CPS is also recommended for its potential in raising general savings which increases asset and national income. Ibe (2020) posits that the contributory pension scheme is funded in the sense that the contributions and the earnings from the investment of such funds provide the resources for meeting the pension obligations. On the contrary, the defined pension benefits scheme is unfunded because the pension commitments are met from the general current revenue, taxation in the case of the government and this is the reason why it is referred to as a “pay-as-you-go” system (Elumelu, 2018).

In series of Reviewed investigated, they failed to discuss on gainsaying the fact that the academic staffs are the pivot upon which the accomplishment of the mission and vision of tertiary educational institutions is hinged. It has however, been observed by the researcher that lecturers in tertiary educational institutions, most especially, the state-owned have continuously agitated for better reward system. Some of their grievances include delay in the payment of salaries and allowances arising from non-release of subventions by the government, inability of government to pay fringe benefits, irregular promotion etc., and this has resulted into strike actions, in order to press home their demands for better conditions of service.

Academic Staff

Academic Staff/personnel, also known as faculty member or member of the faculty or academics or academic staff, are vague terms that describe teaching or research staff of a university, college, school, or research institute (Sterns, 2016). According to the Status of Higher Education Teaching Personnel (UNESCO, 1997), university academic staff means all persons in higher education institutions or programs involved in the training and or pursuit of scholarships and or research and / or provision of educational services for students or community as a whole (Sethi, 2020).

The OECD (2020) *Glossary of Statistical Terms* defines academic staff as follows: Academic Staff (International Standard Classification of Education (ISCED) 5-6) includes personnel whose primary assignment is instruction, research, or public service. This includes staff personnel who hold an academic rank with titles such as professor, associate professor, assistant professor, instructor, lecturer, or the equivalent of any of these academic ranks. The category includes personnel with other titles, (e.g. dean, director, associate dean, assistant dean, chair or head of department), if their principal activity is instruction or research. It does not include student teachers or teacher aides.

Nexus between the Contributory Pension and Academic Staff

Pension is an amount paid by government or company to an employee after working for some specific period of time, considered too old or ill to work or have reached the statutory age of retirement (adams, 2018). Iwu (2017) mentioned that as a scheme, pension is the periodic payment

which may be tied to productivity e.g. incentive bonuses.

iii. Encourage savings: individual and collective savings are key to individual and family wealth creation as well as national development. Contributory pension schemes ensue that a savings culture is instilled and leads to capital accumulation that is required for societal development. The incentive provided by contributory schemes like tax incentives for both employers and employees. Fashagba (2021) provided five justifications for pension plans which include: tax advantage of pension, helping people to save for retirement, helping employers to attract the most desired employees, used as severance pay and helping to restructure the workforce and helping to increase productivity.

Employees' Commitment

Lee (2018) referred to organizational obligation as reflecting an individual's view to loyalty toward the organization and in-progress processes by the members of an organization, regarding about organizational accomplishments. Organizational commitment is determined by a number of factors like, personal factors (age, gender, internal and external control properties, and service period in the organization), organizational factors (designing the job and leadership style of a supervisor) and non-organizational factors (existence of a replacement), affecting on organizational commitment. Commitment according to (Jaw and Liu, 2018) is not only a human relation concept but involves generating human energy and activating the human mind. Without commitment, the implementation of new ideas and initiatives will be compromised. (John and Elyse, 2019) Obligation has also been defined as a psychological state that binds the individual to the organization.

Affective commitment: refers to the employee's emotional attachment to, identification with, and involvement in the organization. In traditional, ongoing employment relationships, a high level of affective commitment has been found to be related to low employee turnover, low absenteeism and improved job performance hence employees with a strong affective commitment continue employment with the organization because they want to do so (Wang, 2019).

Continuance Commitment: describes an individual's need to remain with the organization resulting from her/his recognition of the costs such as tenure, pay, benefits, vesting of pensions and family commitment associated with leaving the organization. It may also refer to an awareness of the costs associated with leaving the organization. Employees whose primary link to the organization is based on continuance commitment remain because they need to do so (Loi and Foley, 2018).

Normative Commitment: reflects an individual's feeling of obligation to maintain organizational membership because he/she believes it is morally right to be loyal to, and stay in, the organization. Although normative commitment is widely recognized as a salient dimension of employee commitment, it has been found to be substantially inter-related with affective commitment (Coyle

granted to an employee for services rendered, based on contractual legal enforceable agreement, paid by an employer at the agree time of termination of employment Emphasizing the essence of a pension scheme in an organization, Sterns (2016) states that pensions could discourage labor turnover. Academic Staff means all **persons holding appointments as Professors, Readers, Senior Lecturers**, Senior Research Fellows, Lecturers, Research Fellows, Senior Research Officers or Research Officers of the University, or in other posts stipulated by the Senate (Elyse, 2019).

Challenges Facing the Contributory Pension Scheme in Nigeria

The current problems that beleaguered pensioners from Pay-As-You-Go (PAYG) defined benefit (DB) scheme in Nigeria (which have always been to the fore) include, interlaid:

- i. Delayed or non-payment of pension entitlements and misappropriation of existing pension funds.
- ii. Low standard of living (or high poverty incidence) among pensioners due to pension increases not in line with salary inflation or no pension increase at all.
- iii. Too frequent verification of pensioners by Pension Transitional Arrangements Directorate (PTAD) (section 42 of PRA 2014) leading to pensioners dying during verification exercises.
- iv. Inadequate Enforcement of Pension Regulation– Over 10 years of existence of CPS, not all State Governments had enacted their pension Laws to establish CPS which is a sign of regulatory weakness. The actuarial valuations of the old DB schemes required by PENCOM at the point of implementation of the new CPS have not been carried out even for those State Governments that have already established their CPS.

Importance of Pension Scheme

According to Gbitse (2020), pension scheme exist to achieve several objective, the most paramount of which are;

- i. **Social security:** in this regard, pension scheme exist to ensure that people receive some income in their old age to take care of themselves and any dependents. Under this objective, proponents of pension schemes realize that individuals are on their own predisposed to improvidence and are unable to make arrangements by them for their old age, except their employers or the governments provide same or establish the necessary structures (Aiyabei, 2020).
- ii. **Encourage work, ethical behavior and worker productivity:** the existence of pension schemes ensure that people are encouraged to work because their lifestyle in retirement is taken care of. Also, in developing economies struggling with massive corruption and for certain categories of employees, a defined benefit system may give reasonable assurance and encourage ethical behavior. workers productivity may also be enhanced by defined contribution schemes that encourage worker productivity as contributions are enhanced by promotions, wage increases and additional income

shapiro, 2018). Different authors suggest that individuals may display each of these three forms of commitment to varying degrees.

Dedicated workers are one of the greatest assets any company can have and play a major role in overall business efficiency and profitability. (Hurter, 2021) argues that greater levels of employee obligation lead to organizational benefits such as a continuous flow of improvements, cost and efficiency improvements and active employee participation.

Theoretical Review

This study was anchored on the Positive Theory of Social Security, propounded and popularized by Osler 1910. The main assumption of positive social security theory is that social security programme induce retirement that is, to buy the elderly out of labour force. This is modeled through positive externalities in the average stock of human capital because skills depreciate with age. The elderly have lower-than-average skill and as a result, have a negative effect on the productivity of the young. When the differences between the skill level of the young and that of the old is large enough, aggregate output in an economy where the elderly do not work is higher (Mulligan and Sala-i-Martin, 2020).

Osler (1910) the proponent of the theory centrally holds the view that men are old at 40 and worthless at 60. The idea is to encourage the young to save enough for their inactive years (old age) and to induce the elderly to retire so that their jobs could be given to more productive young workers.

The Relevance of Positive Theory of Social Security to the Study

The contributory pension scheme was designed to encourage savings at young age and better workers retirement benefits; it was aimed at preventing vagaries of poverty and hardship in old age and retirement. This is to ensure that the employee who has worked would be able to receive his or her retirement benefits as and when due. Unfortunately many public workers in Nigeria dread retirement and continue to work beyond retirement age. This also have negative impact on their performance. In Nigeria, if the basic assumptions of positive theory of social security are practiced it will engender sustainable social welfare for the aged. The delays and denial of retirement benefits will be minimized. It will also induce retirement in the country and create jobs for young Nigerians. The output of Nigerian economy will be higher if the elderly will retire.

METHODOLOGY

In carrying out this study, the researchers used descriptive survey design and the study covered *five institutions in the states (Bauchi state university Gadau, Abubakar Tatari Ali Polytechnic Bauchi, Adamu Tafawa Balewa college of education Kangere, Bauchi state college of agriculture and Aminu Saleh College of education Azare)* by focusing on selected tertiary institutions where contributory

Pension scheme are practiced in the state.

The study will involve a population of 611 academic staff from where Taro Yamene will be used to select a sample of 242 academic staff. Data collected will be analyzed using inferential statistics. The study will gathered data mainly through a primary source using a five point likert scale as its major instrument. The Kruskawalis test (H) will be employed to test the significance of the research hypotheses, the choice of H test can be said to be justified since the second variable under study borders on attitude.

The data will be analyzed using Statistical Package for Social Science (SPSS) 23.0. In order to determine the proportional contribution of each of the case study institutions to the sample size, the Bowley's proportional allocation formula will be used. It is mathematically represented as; $n_i = n \cdot \frac{N_i}{N}$ Where n represents sample size, N_i represents population size of the i th strata and N represents the population of study.

RESULTS

H0₁: Contributory pension scheme does not impact significantly on the affective commitment of academic staff of state tertiary institutions in Bauchi State, Nigeria

SA	A	UND	D	SD
40	61	33	74	34
51	70	30	66	25
43	69	42	61	27
48	69	46	57	22
55	64	50	46	27

Source; Field Survey, 2021

NPAR TESTS

/K-W=CPS and AC BY RANKS (1 5)

/STATISTICS DESCRIPTIVES

/MISSING ANALYSIS.

Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
CPS and AC	25	48.4000	15.89549	22.00	74.00
RANKS	25	3.0000	1.44338	1.00	5.00

Test Statistics^{a,b}

	CPS and AC
Chi-Square	19.538
df	4
Asymp. Sig.	.001

a. Kruskal Wallis Test

b. Grouping Variable: RANKS

From the SPSS output for hypothesis, the H value (Asymp. Sig) is .001 which is less than 0.05 level of significance ; it is therefore safe to posit that contributory pension scheme has significant and positive effect on the affective commitment of academic staff members of state tertiary institutions in Bauchi State, Nigeria.

H02: Contributory pension scheme does not impact significantly on the continuance commitment of academic staff of state tertiary institutions in Bauchi State, Nigeria.

SA	A	UND	D	SD
19	58	49	72	44
28	58	54	69	33
25	49	62	59	47
37	66	55	63	21
35	62	44	71	30

Source; Field Survey, 2021

NPAR TESTS

/K-W=CPS and CC BY RANKS (1 5)

/STATISTICS DESCRIPTIVES

/MISSING ANALYSIS.

Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
CPS and CC	25	48.4000	16.15292	19.00	72.00
RANKS	25	3.0000	1.44338	1.00	5.00

Test Statistics^{a,b}

	CPS and CC
Chi-Square	.046
df	4
Asymp. Sig.	1.000

a. Kruskal Wallis Test

b. Grouping Variable: RANKS

The SPSS output for hypothesis two shows H value (Asymp. Sig) 1.000 which is higher than 0.05 level of significance; it can therefore be said that contributory pension scheme does not have significant effect on the continuance commitment of academic staff members in state tertiary institutions in Bauchi State Nigeria.

Discussion of Findings

The findings from hypothesis one shows that contributory pension scheme can increase the self-esteem of academic staff in state tertiary institutions through the creation of intellect of acknowledgment and identification. This however is not enough to get them pledge longevity in service with the state tertiary institutions. The finding from hypothesis two explains why academic staffs in state tertiary institutions are quick to receive offers from state tertiary institutions even with the presence of contributory pension scheme in their previous institutions. This study is in line with the study conducted by Eze, & Anikeze, (2020) on the title Effects of Contributory Pensions Scheme on Workers' Performance in Nigeria Universities: A Study of Federal Universities in South East, Nigeria. Which reveal that Contributory Pension Scheme has enhanced workers attitude to work, to determine how Contributory Pension Scheme has helped to attract and retain qualified workers Contributory Pension Scheme has helped to attract and retain qualified workers, Contributory pension scheme on workers morale and satisfaction This study recommended among others that Universities in Nigeria especially State and Private Universities should ensure adequate implementation and strict compliance with the provisions of Pensions Reform Act 2004.

Conclusion

The Contributory Pension Scheme is an eye opener for the higher percentage of employees to concentrate on their pension contributions from the first day of employment. This study is a wakeup call to those institutions/establishments as well as individuals who have the archaic believe of pension been fraud should rather sit up and learn about the Contributory Pension Scheme.

Contributory pension scheme has gained wide acceptance in both the private and public work climate in Nigeria. This study however concludes that there is other elaborate work condition that is requiring towards ensuring considerable and sustainable commitment of the staffs hence, a right mix of these work conditions should be instituted by the state tertiary institutions in Bauchi state, Nigeria.

Recommendations

In line with the findings and conclusion in this study, the researchers recommends as follows;

- i. State tertiary institutions in Bauchi state should not only remain with the contributory pension

scheme but should ensure its early remittance. Institutions yet to assume such scheme should endeavor to do so

ii. Paying competitive salaries especially using salary scale of federal government owned tertiary institutions can accompaniment the contributory pension scheme and enhance employee's commitment in the state tertiary institutions in the state.

iii. Beyond contributory pension scheme and other financial tools, confirming that the social needs of unionism of the academic staff are met can help state tertiary institutions in Bauchi state secure the commitment of their academic staff.

Implications of the Study

This study took an empirical approach in addressing the issue under discuss. The important of the findings of this study is that administrators of tertiary institutions in Bauchi state part of Nigeria are expected to rethink their approach towards eliciting the obligation of their academic staff by paying competitive salaries, engendering social relationships through unions and above all ensure the full and timely implementation of the contributory pension scheme. This is expected to reduce turnover intentions among the academic staff while enhancing their affective and continuance commitment to the institutions.

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HOUSE OF ASSEMBLY, OVERSIGHT AND EFFICIENT SERVICE DELIVERY IN BAUCHI STATE: 2015-2020

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ABSTRACT

The broad variety of scholarly literatures suggests that effective legislative oversight function have gradually impacted on the efficient service delivery in Nigeria. Indeed, effective service delivery is the best essential tool of the current state, the delivery of efficient service in public sector no doubt shows an importance role in the economy of various countries. This paper has given an emphasis on the role of legislative oversight function in Bauchi State and how it improves efficient service delivery in the state. The study engages an in-depth focus group discussion, interviews with relevant respondents and published document were used to support the findings. Qualitative method of data collection was employed; the thematic and description interpretation method was employed in the analysis of data. The paper reveals that this particular function of legislature has not improve in the state and suggest the need for its continuation to regulate the activities executive and lift the lives and wellbeings of citizens in the state. The paper maintains that legislatures in Bauchi state has not increasingly used its oversight functions to control executive activities and contribute to the stabilization of politics, and advance the quality of democracy in the state.

Keywords: Democracy, Legislature, Oversight, Efficiency, Service delivery.

INTRODUCTION

Democracy offers a wide platform for political participation for the citizens, regardless of beliefs and tribal differences. "it is all about ensuring popular participation and control of the processes of government, since all the people cannot participate in government at the same time, they entrust these rights and duties to an elected few among them known as legislators" (Edet & Amadu, 2014). It has been understand from the beginning that powers may be misused and so introduced a system that

permits checks and balances between the three arms of government. Modern governments are characterized by decision making sharing between executive, legislative and judicial organ of government (NILS, 2014).

Legislature serves as vital component for all democratic government. “The existence of the legislature predates the advent of modern democracy” (Ewuim, Nnamani, & Eberinwa, 2014). Therefore oversight function is one of the cardinal top legal tasks of the parliament in any country around the globe. Thus, “oversight in this instance is the exercise of constitutional powers by the legislature to check or control the exercise of constitutional powers of the other arms of government, and more specifically to check or control the exercise of executive powers or to make the executive accountable and responsible to the electorates through their representatives” (Innocent, 2019).

Globally, separation of powers remains the democratic norm that has the sign of presidential system. People are continuously battling for the enactment of democratic principles. These exponents are overseers of democracy in countries where presidential system is established. The advance of oversight institution in United States and Argentina by the different track engaged in the fight against corruption, the countries share similar problems. “The United State Congress eventually developed laws and institutions that helps the legislatures serves its madisonian roles. The uninterrupted democratic system in the United States has given time for institution to mature and strengthen checks and balances. As a result of these changes legislatures have begun to take a much more active role on policy and oversight” (Morgenstern & Manzetti 2002).

Accordingly, there is an increasing distrust about the success of legislatures in various African countries, most of the oversight function have not change any progress at these nations including Nigeria which is being confronted with countless problems. It shows that having legislatures does not guarantee oversight. “Based on these observations, and acknowledging the subject of oversight as a key to good governance, especially in contemporary African societies, the legislators have not lived up to the expectation of Nigerians in terms of their contributions to oversight” (Notshulwana & Lebakeng 2019).

Moreover, rules in Nigeria are still frequently well written, but implementation is the problem and this is because the legislators do not involve every rule into process of policy development. “It is expedient for legislators to identify problems, study the issues and engage members of the public to be able to receive their inputs, formulate policies on these issues to resolve the identified and approved solutions designed for the problems” (Nwogwugwu, and Ishola, 2018). This would express their integrity from the electorates. “It is also important to concretize the legislators in Nigeria that their function goes with accountability and transparency” (Amuche, 2019).

In the same vein, the situation in Bauchi state is similar to that of nation in which assembly members are not merit to prospects of people. Pelizzo & Stapenhurst, 2012 stated that, quality of democracy

was a direct consequence of the number of oversight tools at the disposal of a legislature, more recent work has shown that quality of democracy is affected by oversight effectiveness but not by oversight capacity of a legislature. The belief of Bauchi state citizens is that the ability of the government to effectively direct its goals towards improving the general wellbeing of the citizens. Because, the major concern of legislatures is to make sure that government deliver efficient services to the citizens, specifically under democratic dispensation.

Equally, the effectiveness of service delivery depends on the powers of house members. “The presidential system of government being practice in Nigeria makes provision for separation of powers, apportioning the distinct duties to the executive, legislative and judicial arms of government” (Ejikeme, 2014). The contact concerning government and representatives should meet the wants of the voters in an appropriate way, thus regard them vital in service delivery. “The effectiveness of service delivery has been put to test and it has undergone series of socio-economic, structural and political transformation, courtesy of the political leaderships of this country at one time or the other” (Charles, & Bathlomew, (2019).

Furthermore, improvement of service delivery has therefore remained a constant challenge to governments at each tiers to find better alternatives. However, questions were raised regarding some activities of the legislature in oversight function (Fashagba, 2009; Hamalai, 2010; Hamalai, 2014, Stapenhurst, Jacob & Olaore, 2016). “One of the reasons for increasing demand of legislative oversight in the democratic regime is the desire for executive accountability and good governance” (Yusuf, 2020). Oversight function are expected to translate to better law making, better representation, and overall good governance. Stapenhurst et al. (2008), conceives why an increasing number of legislative scholars now believe that oversight should be the main activity of legislatures. The role of oversight function is to provide an effective checks on the performance of the executive arm and its agencies to ensure effective implementation of government policies for the good ordering of the society (Fagbadebo, 2019; Friedberg, 2011; Pelizzo & Stapenhurst, 2004).

In view of the foregoing, the researcher deem it necessary to find how oversight function of the legislature improve efficient service delivery in Bauchi state. The paper seeks to answer questions such as; what are the roles played by the Assembly Members in discharging their oversight functions in Bauchi state? Does oversight function ensure efficient service delivery in Bauchi state? This paper has crucially engages in such questions and reveals how oversight function of the legislature are perform to ensure service delivery, which serves as appropriate contributions in enhancing the sustenance of good governance.

LITERATURE REVIEW

Democracy

The foremost idea of democracy is generally acknowledged to have invented from the city-state of Anthen in the fifth century BC. “The term originates from the Greek word (demokratia) rule of the people which was coined from (demos) people and (kratos) power or rule” (Nwogu, 2015). Thus, it was probably in Anthen that democratic state begins and subsequently transferred to other cities.

The concept of democracy has suffered from conceptual definitions and interpretations. Several scholars have attempted to give it meaning based on their perception and understanding. For the purpose of this paper, the conceptualization of democracy offered by Agarwal (2009) will be considered. He perceived democracy as the kind of government in which citizen is the source of the political powers, this means that an absolute state control is handle by people. Democracy is a system that supplies constitutional mandate for most of the population to have influence in major decision making through choosing among several contestants for the political office (Adeosun, 2014).

Oversight and the Legislature

Oversight is the most important functions of the legislature (Yusuf, 2020). The legislature is an important organ of democratic government and a main element in its sustenance. In fact, its presence precedes current democracy. It has been noted that the beginning of the legislature dates back to the twelfth century and a product of medieval European civilization transformed in the age of democracy to suit the necessities of contemporary political systems (Yusuf, 2020). Legislatures are the representatives of the people, if the people (electorates) gave them the mandate to represent them in the legislative Houses (Onwe, Aloysius, & Okwesili, 2015).

Accordingly, since they are chosen through election to be representatives of the people from the various wards, constituencies and senatorial zones, who takes decisions on behalf of the electorates, it is then expected to represents the electorates effectively by passing of bills or decisions that are favorable to the existence of electorates. They are the governing body that operates in a building called the Senate building or House of Representative building, which makes laws, amended or repeals them, for the progress and development of a country (Okoli, 2003). “They are quoted as parliament in Britain, congress in United States and in Nigeria National Assembly” (Abonyi, 2006), as well as members of state House of Assembly in the state level.

Oversight function over the world is seen as the process of ensuring law making body take a dynamic role in checking the execution of executive decisions. “Oversight function is part of constitutional requirements of ensuring transparency, responsiveness and accountability in democratic governance” (Hamalai, 2014). It is a main part of the activities of current legislature regardless of the system of government been practice. The purpose of oversight function is “to ensure good governance through supervision and monitoring of projects and programs embarked upon by the

executive arm of government” (Omotoso, and Oladeji, 2019).

Legislative oversight is an important part of any government effort to support good governance and protected democracy, “this was observed for the past 15 years back by the international community from this first set of propositions, scholars and practitioners derived the conclusions that by strengthening legislature oversight capacity, they would secure effective oversight with all its correlates” (Pelizzo, 2012). In Nigeria and other emerging countries around the globe, the legislatures has a significant role to play in stabilized and promoting of quick financial and societal development. These particular function required urgent attention from the citizens today considering the strict financial weather and extremely disgraceful situations of most Nigerians.

Many researchers have accorded that oversight responsibility if effectively conducted will help ensure service delivery. For instance, “Stapenhurst and Pelizzo (2012) have shared a similar line of thinking, that the legislature alongside judiciary can perform a key role in democracy by properly conducting their oversight function”. Moreover, Pelizzo and Stapenhurst (2012, 2013) “posited that the effectiveness of oversight goes hand in hand with the quality of democratic regime. Where the legislature is very effective overseers, the quality of democracy will be higher. On the other hand, where the legislature is less effective in their oversight the quality of democracy will be lower”. However, the situation in Bauchi state is related because the level of independence, checks and balances as well as separation powers is weak and hence, the legislature is incapable in its oversight functions sometimes.

Oversight and Service delivery

The system of government being practiced knows from the beginning that powers may be distorted and then presented a system that assures checks and balances between the three level arms of governments. Moreover, with the force of oversight the legislature is empowered to check and control executive above the execution of policies and administration of laws in government, all in the context of delivering services to the citizen of Nigeria (Yusuf, Yousoff, & Tapiwa, 2018).

In Nigeria and other developing countries, the government ordinarily has main tasks for sustaining of constant level in promoting of speedy financial and collective growth. “The standard of service delivery in the Public sector, no doubt; plays an increasingly significant role in the economy of many countries, including Nigeria. In today's global competitive environment, delivering quality service in all sectors is considered as an essential strategy for success and survival” (Charles, & Bathlomew, (2019).

Moreover, service delivery can be perceived as unique fundamental duties established in the public organizations. This can be recognised as one of the basic functions of public sector establishment. “The implication here is that as the private sector considers its customer as 'king', thereby ensuring quality service delivery” (Aladegbola & Jaiyeola, 2016). Therefore, the public sector should be

regarded as 'master' and beneficiary of enhanced performance of the public service, “the actions undertaken and decision made by people employed in government institutions” (Okafor, Fatile & Ejalonibu, 2014). In understanding service delivery the result of the intents decision of government and it is institutions should be vigorous.

Accordingly, service delivery implies acceptance services in real and well structure as likely to the intended beneficiary. In countless incidences, service delivery shows a level of quality on the part of government institutions. “It is a continuous and a cyclical process to develop and deliver a customer focused services” (Meseret, 2016). The process involves many jointly efforts to produce quality service activities that brings good service outcome. Finally, it can be understood that the process of gathering the necessities of citizens will be complete in rapid and well-organized procedures. “This implies that the interaction between government and citizens are such that the needs of the citizens are met in a timely manner, thereby making the citizens key in service delivery” (Charles & Bathlomew 2019).

Theoretical framework

In assessing the oversight functions by the House of Assembly, the Principal-Agent Theory by (Rose and Ackerman, 1978; Weingast and Moran, 1983; Moe, 1984; Fukuyama, 2004), will be used to explain the relationships between parliament and executive arm of government regard to oversights. The theory has been widely used in American legislative dialogue and is appropriate in this regard because the presidential system of government which it modeled from the United States with a bicameral legislative arrangement is suitable to Nigeria context.

The theory emphasizes compliance between principals and the agents. The prescribed tools is that principal can observed and apply obedience on their agents. This philosophy primarily is applicable for clarifying accountability correlation among people (as principals) and the decision-makers and law makers (both as agents) in single part, and among law makers (acting as principals, on behalf of people) and together the decision-makers and the government institutions on the other part (as agents). This example clearly explains the suitability of this theory to this paper, because the legislature by convention has been given the constitutional power to monitor (on behalf of the citizens) the actions of the executive and its agency.

Research methods

The technique employed in this research was case study research design with the qualitative method of data collection and analysis. It used both primary and secondary sources of data. Focus group Interview technique and reports were used as the primary source of data. While secondary source such as published articles and documents were used to support the findings. An in-depth focus group discussion has been conducted, it has been said that the “interview method can be utilized in

exploring perception and understanding of the phenomenon” (Braun & Clarke, 2013). Furthermore, the study use critical case sampling because it focuses on specific cases that are very important in choosing the main informants for the interview using the purposive sampling approach (Black, 2010).

Accordingly, 12 informants were utilized in the discussion and the justification for choosing 12 informants was that the point of saturation was reached. The informants consist of two members of the Bauchi State House of Assembly. Two civil servants, one academician and two members of Civil Society Organization (CSOs) as well as five masses were all recruited. The justification for using the informants is that they are the people that are directly or indirectly related to the area. Furthermore, Adler (1987) submits that (12) is the minimum number of interviewees and these figures strongly suggests that there is quite a lot of variety in what is believed to be the minimum requirement. Thus, it is predictable to find the actual sample sizes because of vary considerable in qualitative research.

Table: the sign of groups showing translation and total number of respondents

Sign	Translation	Rate
BAHA	Bauchi State Members of House of Assembly	2
MDAs	Directors	2
Academician	Lecturers	1
CSOs	Members of Civil Society Organizations	2
Voters	Masses	5
Total		12

Discussions

This part concentrates in the investigation and debate of the study. The findings of the research were presented, the views and the opinions of the informants in the interview and reports were analyzed and presented in line with the objectives of the study, and are supported by scholarly works. The oversight function of Bauchi State Assembly members have not lift the life and wellbeing of citizens in the state, as well as the quality of democracy and stabilization of politics in the state. The analysis is in thematic and narrative interpretative form; several issues were objectively analyzed and discussed.

Oversight and Efficient Service Delivery in Bauchi State

The Bauchi state House of Assembly (BAHA) like other parliament has three basic functions of representation, law making and oversight. Certainly among the three functions mentioned above, the

demanded function is oversight. The members has the power to investigate the official conduct of the executive. “The legislature uses its oversight function to curtail the executives from the use of excessive power and dictatorship” (Yusuf, 2020). According to “Section 128 of the Constitution, the State House of Assembly is empowered to conduct investigations into any matter or thing with respect to which it has power to make laws. These powers are meant inter alia to correct defects in existing laws and for the enactment of new laws, expose corruption, inefficiency or waste in the system or disbursement of money appropriated by the legislature” (Constitution of the Federal Republic of Nigeria).

One of the paramount encouraging aspects of Nigerian democratization was the role played by the legislature. This function is legitimate duty of members to ensure accountability and transparency of executive to the electorates. In an interview conducted one of the respondents assert that; *Responsibility of assembly members is to go to the relevant organization and government agencies to see what they are doing conform the law or not. For example, expenditure or budgetary provision, constructions, screening of political appointees, employment execution of sole mandated. This are main role normally performed by members. This become clear that members discharge their constitutional role (Interview with Assembly member in Assembly complex Bauchi, on 7th September, 2021).*

Similarly, from the interview one respondents repeated that the constitution has given the legislative arm the right to checkmate and control activities of the executive. But, at this juncture many oversight activities were observed, because during the annual appropriation process, the state assembly must recount the whole value of a program to other programs competing for funding from inadequate state resources and request the whole MDAs in the state to come and defend the proposal budget (*Interview with academician 9th September, 2021*). “The constitutional power of the legislature also takes part in budgetary and appropriation process. That had given it enough political power to shape governance, and always to carry reforms that may lead to national development” (Yusuf, 2020).

In a similar report from the committee on budget and appropriation on the proposed estimates of 2021 budget, as presented by his Excellency the executive governor of Bauchi state on the floor of the house on 15 December, 2020, The committee observed that it was not presented to the honourable house as at when due, which was against all odds, overstretched the capacity and audacity of all the standing committees of the house. The House has to unnecessarily rush in conducting their constitutional roles on budgetary process. Because this would equally give the honourable House enough time to do justice on the appropriation bills and subsequently pass them into law. “It was observed that oversight function is frequently used during budgetary process” (Awofeso & Irabor, 2020).

Moreover, few of the respondents interviewed from MDAs, CSOs, and Masses has raised concern and pointed out some areas of controversies on the activities of Assembly members that they are frequently inspection how Ministries, Departments and Agencies (MDAs) spend their allocations. Their only problem is they don't care whether your budgetary allocation has been paid to organization, their expenditure is on the right side, their employment reflecting character in the state that is not their concern. Their concern is to meet certain expectation on their own, their secretaries in the habit of extortion yet everybody get clear if he play the game. I think that is the only problem we have concerning this particular function (*Interview with member of Masses, CSOs, and MDAs 15th September, 2021*).

Another legislator in separate interview stated that it was the performance of our oversight functions make the executive during the budget presentation of the outgone year, remove some estimate from one heading and putting them under a different heading. But the executive accused members of the state assembly of being corrupt. "It is worth noting that budget implementation is the responsibility of the executives" (Ogujiubu & Ehigiamusoe, 2014) while reviewing and monitoring of budget before, during and after implementation is the obligation of the legislature. The legislature has shown many efforts in ensuring compliance of budget by the executive.

During the interview, few of the respondents declared that exactly members discharge their constitutional role. But, the only place where they have weakness is going overboard beyond asking what the MDAs did whether it is in line with the law or not. Some of them become too notorious, greedy, corruption wide the process of doing the job. They expect to extort money from the organizations and this part of problem they create in all the organizations, no matter what wrong organization are doing if they can part them with some amount of money or promise them a contract most likely the organization are on the right side. If a particular organization refused their demand, probably they will create a problem to that organization (*Interview with Masses, and CSOs 22th September, 2021*).

In another report received from House committee on public service/finance and economic development after receiving of complaints from various constituents over stoppage/deduction of civil servants salary as confirmed by the committee, which were started around February, 2020. The joint committee investigate what led to the causes and delay in the payment of civil servants/pensioners salary in the state. Basically, investigation reveal several instances where some civil servants in the state are receiving more than their salaries while others received less than what is in their pay slip, the committee discovered that state salaries is now posted through the office of the Head of Civil Service using Consultant to normalize some of the abnormalities detected as stated by the Accountant General.

Furthermore, little responses stress the level of functions performing by Assembly members have

fallen below expectations of people, because looking at the current issue of salary, pensions/gratuity seen like they are not elected to protect and represent the interest of the electorates. Many of the committees coming to oversee the various MDAs under their supervision end up negotiating contract in the cause of oversight function. Where the organization rejected their request it become a problem. This is an area where they are not doing the job perfectly. (*Interview with member of CSOs 29th September, 2021*). “Some studies have shown that in Nigeria often, the legislature usually confronted the executive only when there are issues of their interest and not that of national interest” (Yusuf, 2020).

The house committee on Health and Human services make a report after their oversight visit conducted to all General Hospitals in the state, where they discover some hospitals are in acute shortage of skilled manpower in all cadres, even the working equipment on ground are obsolete, dilapidated infrastructures, lack of electricity in the hospitals premises and the wards. The committee recommended that government should employ skilled personnel in all cadres, ensure that adequate modern equipment are provided. This oversight visit was conducted in September, 2019. “Investigations have shown that the oversight function of the legislature has increasingly grown” (Hamalai 2014).

Finally, few responses asserted that there are some contracts awarded in some hospitals that were abandoned or not completed. This abandoned contracts supposed to be verified and make sure they are completed based on their standards. Unfortunately, leadership of Political Party that controls the executive, contacts legislators who are members of their political party to do a favor in the process of exercising oversight to their loyalist. This intervention in legislature activities would not allow them to perform the oversight function the way it ought to be performed (*Interview with masses 5th October, 2021*). “The legislature has been using the function for mere extortion of money in the Ministries, Departments and Agencies (MDAs) of government” (Nwagwu, 2014).

From the responses of the respondents it is clear that Assembly members actually perform the oversight function. 80% percent of the respondents agree that most oversight committees oversee MDAs under their supervision annually. This shows that these committees are committed to their constitutional responsibility. However, 99% percent of the respondents submitted that oversight functions has not been able to correct the misuse of laws, funds and abnormalities in MDAs. The respondents agreed that corruption is one of the major factors responsible for poor performance of oversight in the state.

Conclusion

In summary, the paper submits that legislature ability to effectively carry out its oversight functions have proven that competence legislative body can efficiently exercise its mandate. This reveals that

efficient service delivery is related to effectiveness of the legislatures. The responsibility of legislatures is to ensure that policies and programs of government are implemented in an active and proper manner. In view of these findings, the legislature should actively adhere to their duty captured by the constitution with integrity to checkmate the executive activities regarding policies and programs implementation. This will enhance the degree of accountability, transparency, and political participation, which are essential to the development of democracy and please the electorates. I recommend the need for continuous oversight visit to regulate the activities of executive arm and its agencies.

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TAX INCENTIVES AND FIRM VALUE: EMPIRICAL EVIDENCE FROM LISTED FOOD AND BEVERAGES FIRMS IN NIGERIA

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ABSTRACT

The bunch of taxes levied by the Nigerian government have continuously hindered the sustainability and growth of most companies as they are forcefully extracted from the profit of the companies concerned. Tax incentives to businesses are employed to facilitate investment and encourage productivity by most companies. Two objectives were formulated in this study. The independent variable is tax incentive, while the dependent variables are, operating income before interest margin and operating income before tax margin. Ex-post facto research design was used along with sample size of eleven (11) out of sixteen (16) quoted food and beverage firms in Nigeria Stock Exchange. The financial data were descriptively analyzed with the use of mean and standard deviation. The inferential statistical analysis was conducted using ordinary least square (OLS). Multiple regression analytical tool was chosen because each of the null hypotheses to be tested has more than one independent variables and one dependent variable. SPSS Version 22 was used to compute the statistical analysis. Findings reveal that: that tax incentives significantly affect the operating income before interest margin (OIBIM) in quoted food and beverages firms in Nigeria tax incentives have significant effect on the operating income before tax margin (OIBTM) of quoted food and beverage firms in Nigeria. The study recommends that tax incentives should be sustained as it equitably taxes firm with thin capitalization and capital intensity. Tax Practitioners should also be consulted for tax planning, for optimum sustainability of the firms.

Keywords: Tax Incentives, Operating Income Before Interest Margin, Operating Income Before Tax margin, Thin Capitalization, Capital Intensity.

Introduction

Taxation is one of the vital sources of revenue which government uses to finance public expenditure for goods and services which the citizenry consumed. As a form of support to business development and sustainability, some governments around the globe occasionally grant some tax incentives to businesses to facilitate investment in certain areas or to encourage productivity levels. In line with this, some firms that use thin capitalization are given special exemptions, exclusion or deductions which altogether provide firms with special credits, deferred tax liability or lower effective tax rates. Firms are taxed based on numerous basis such as corporate profits, capital gain, stamp duties, and so on. Primarily, corporate organizations seek to maximize the value of their shareholders' wealth. One of the ways managers achieve this aim is by reducing their expenditure, such as tax liability. According to Akintoye, Adegbe and Onyeka-Iheme (2020), corporate entities often make a conscious effort in order to spread or reduce their tax liability in a way that does not go against the stipulations of the law. They do this by utilizing some of the available tax allowances, tax exemptions, policies, guidelines, tax incentives and relief. Fundamentally, the food and beverages sub-sector in Nigeria continues to play a role in developing the national economy, alleviating poverty and partnering with other larger corporations. No doubt, these firms have constituted a great source of product/service provision and local supply, even to larger corporations.

Nevertheless, tax incentives refer to any form of tax provision which is granted to a qualified investment project as a form of a favorable deviation from the due provisions that are generally applicable to investment projects. Administration of tax incentives in Nigeria has been abused severally. Most tax incentives that fail to improve the corporate value of firms could be because they are not well targeted. No wonder some scholars are in support of tax incentives while others are not. Scholars who argue for tax incentives are of the opinion that lower tax burdens give investors a higher net rate of return and therefore free up additional income for re-investment (Ayuba and Tanko, 2018)

It is against this background that the researcher seeks to ascertain the effect of tax incentive on firm value of quoted food and beverages firms in Nigeria.

Statement of the Problem

Corporate growth of the food and beverages sector have been discouragingly thwarted by issues of excessive tax liabilities that are as a result of unfavorable tax policies, high tax rates, inefficient and ineffective tax administration system, non-refund of excess tax paid, multiplicity of taxes, and non-issuance of tax credit. This is why it is very pertinent that there be a good system that guarantees sufficient tax incentives that are adequate enough to stir corporate growth and all the more encourage investment so as to increase the value of the firm. A number of scholars maintain that corporate taxation has unjustly remained a bunch of instigating factor that has unrelentingly thwarted the performance, and of course the firm value, of the manufacturing sector in Nigeria. For firm value to be maximized, it is imperative that the excessively high tax burden on the shoulders of most food and beverages firms be attenuated in order not to stifle the financial lots of such firms. However, the Nigerian government has introduced electronic tax system, thereby making it about forty different taxes that are currently being levied on food and beverages companies (Oyeshile and Adegbe, 2020). Unavoidably, this bunch of taxes have continuously hindered the sustainability and growth of most companies since more percentage of the taxes from various government levels overlap as they are forcefully extracted from the profit of the companies concerned.

Furthermore, there are a number of literatures that examined the effect of tax incentives on the firm value of quoted food and beverage companies, both in Nigeria and abroad. Those studies that were conducted abroad such as Daniel & Faustin (2019); Kuria, Omboi & Achoki (2017), though, their findings are not entirely invalid but they cannot be suitably represent the peculiarities of the Nigerian business environment. On the other hand, there are a cup full of local researches that have tilted towards the direction of the present study. Such studies conducted in Nigeria include, Oyeshile and Adegbe (2020); Akintoye, Adegbe and Onyeka-Iheme (2020); Ugwu, Okwa and Inyang (2020); Abiodun (2020); Akinleye, Olarewaju and Fajuyagbe (2019), and others. However, to the best knowledge of the researcher, none of the local studies extend their literature up to 2019. Again, the findings of some of these researchers were missed results and inclusive. It is against this backdrop that this present study examines the extent to which tax incentive affects the firm value of listed food and beverage firms in Nigeria.

Objectives of the Study

The main objective of the study is to determine the effect of tax incentives on the firm value of quoted food and beverage companies in the Nigerian Stock Exchange. The followings are the specific objectives of the study.

- i. To determine the effect of tax incentives on operating income before interest margin (OIBIM).
- ii. To ascertain the effect of tax incentives on the operating income before tax margin (OIBTM).

2.0 Literature Review

Overview of Tax Incentive

After the collapse of oil prices in the early 1980s in the international market, in a bid to bring the economy back to a sustainable track, Nigerian taxation system was reformed to fight decreasing volume of outputs of goods and services together with increasing price and unemployment levels. Tax incentives were introduced during the reform in order to help reduce production cost and to stir up growth in output levels which could possibly lead to demand for domestic resources (Ugwu, Okwa and Inyang, 2020). Such tax incentives are deductions, exemptions or exclusions from tax liability which all act to entice investors in order for them to invest in certain preferred sectors of the economy. Corporate entities that utilize the benefits of tax incentives are ordinarily expected to have more earnings-after tax available for either distribution to shareholders or for further investment. In whichever case, the empirical nexus between tax incentives and corporate value is seemingly linear and positive since tax incentives are essentially reduction in expense. According to Ugwu, Okwa and Inyang (2020), tax incentives can be defined as a legal deduction, exemption or exclusion from tax liability which is offered as an inducement to investors with the view to encouraging investment in certain preferred sectors of the economy over a certain period of time. Also, Arzizeh, Onodi and Akachukwu (2018), defined Tax incentives as deliberate reduction of tax liability of a tax payer by the government so as to encourage the tax payer such as firms or individuals to either invest more, import less, consume more, ex-port more or pollute less etc. Such reduction in tax liability can take any form such as outright tax exemption, a reduction in tax rate, tax deferment, reduction in tax base. These are often as a result of tax payers' usage of some tools at their disposal to reduce the burden of tax payable or paid. For instance, is there is a tax provision that sets the corporate income tax rate for foreign invested enterprises at half the rate that applies to all domestic companies, that tax provision is a tax incentive. However, if another tax provision simply sets a low corporate income tax rate for

all firms, such provision is not a tax incentive (Ugwu, Okwa and Inyang, 2020).

Linking Tax Incentives and Firm Value (proxied by Operating Income Before Interest Margin)

Thin capitalization is where the capital structure of a firm constitutes more percentage of debt when compared to the equity (high leverage). This brings about corporate tax shield because the interest paid on any borrowed fund is a tax deductible expense. Hence, the greater the debt of a firm, the more interest it pays and the lesser the tax payable (Akintoye, Adegbe and Onyeka-Iheme, 2020). Oyeshile and Adegbe (2020) evaluated the effect of corporate tax planning on the financial performance of Quoted food and beverages firms in Nigeria from 2008-2018. It was found that corporate tax planning variables of effective tax rate, capital intensity, and thin capitalization do not have a significant positive effect on return on capital employed of a quoted food and beverages firm in Nigeria, though have a significant positive effect on return on assets of the industry. Similarly, on earnings per share of the industry, corporate tax planning practices do not have a significant positive effect. This study therefore, extend the literature up to 2020 to ascertain the effect of tax incentive on firm value of quoted food and beverages firms in Nigeria.

Hence, the hypothesis (H_{01}): Tax incentives do not significantly affect operating income before interest margin (OIBIM) of quoted food and beverage firms in Nigeria.

Linking Tax Incentives and Firm Value (proxied by Operating Income Before Tax Margin)

Capital intensity can be seen as total the amount of investment a firm made on its fixed assets. Scholars have it that there is a positive relationship between capital intensity and firm value According to Salaudeen and Eze (2018), capital intensity is the amount of money which a firm invests in its fixed assets in order to get N1 output. The higher the amount of capital deployed to produce same unit of output, the more the firm is said to be capital intense. It is in other words the sum total of a firm's level of investment in fixed assets. This implies that capital intensity can be used to determine the extent of related tax incentives which a firm can deploy. Firms with higher capital intensity enjoy higher tax allowances and incentives.

Daniel and Faustin (2019), carried out a study on the effect of tax incentives on the growth of small and medium-sized enterprises (SMEs) from agricultural, industrial, services and tourism sectors operating in Nyarugenge district in Rwanda. SMEs The study indicated that there was a strong positive and significant relationship between tax incentives and the growth of small and medium enterprises in Rwanda. Bariyima, Nangih and Oyedokun (2018), investigated the effect of tax disincentives on business growth quoted Oil and Gas marketing companies in Nigeria. Tax disincentives were seen from the dimensions of: problem of multiple 26 taxes, imposition of excess dividends tax and the minimum tax provisions, while business growth was measured using profit after tax and net assets per share growth. The study used questionnaire and data analyzed using Pearson Product Moment Correlation as well as Least Squares Regression techniques. Findings of the study showed that there exists a significant but negative relationship between tax disincentives and business growth in Nigeria. Hence, this study carried out research on food and beverage firms in Nigeria and thus the hypothesis,

H_{02} . Tax incentives do not significantly affect operating income before tax margin (OIBIM) of quoted food and beverage firms in Nigeria.

Theoretical Framework

Hoffman's Tax Planning Theory

The theory of Hoffman's tax planning was propounded by Hoffmann in 1961. It posits that since taxation is essentially based on accounting or business concepts, firms can modify some of its activities in order to reduce or entirely eliminate their tax liability (Akintoye, Adegbe and Onyeka-Iheme, 2020). In the theory, Hoffman saw that there are certain ambiguity and loopholes in certain 19 tax laws on account of imprecision by the legislators who enacted the tax laws. This led to conclusion that firms can capitalize on such imprecision to garner for themselves some tax savings and tax incentives without breaking any known law pertaining to taxation (Oyeshile and Adegbe, 2020). However, some tax planning strategies can equally be of some advantage to the firms since it will increase the firms' chances of getting more tax incentives which would indirectly allow them to save the funds which they would have ordinarily used to pay tax. Furthermore, Hoffman's Tax Planning Theory stipulates that there are four major important points of tax planning which cut across complexity of tax planning process, formalization of procedure, optimal utilization of tax planning and sustainability of tax planning activities. Complexity of tax planning activities implies that tax planning in its entirety is not a simple process, it comes with some difficulty which the planner has to follow diligently. Formalization of procedures means that the firm will benefit or the firm will realize more benefits, tax savings and tax incentives if tax planning activities are carried out using a formalized procedure. Optimal utilization of tax planning requires that firms should use and practice tax planning to the greatest possible advantage so as to claim all the necessary tax exemptions, allowances or incentives, as the case may be. Finally, tax planning activities should be sustained for a long-term (Akintoye, Adegbe and Onyeka-Iheme, 2020) by carefully seeking more legal ways to reduce or exterminate some portions of corporate tax liability. The relevance of Hoffman's Tax Planning Theory to this study is based on the fact that the theory recognizes that adequate and well done tax planning activities can fetch some tax incentives for a firm. Furthermore, such tax incentives come inform of reduction in corporate tax liability. Such reduction in tax burden would make more funds available to the firm for investment. At worst, if the firm does not invest, reduction in tax burden and tax liability implies that higher after-tax earnings are available for distribution to the shareholders. Ultimately, the value of the firm when measured using monetary performance indices is expected to be higher when more tax incentives are given to the firm. It is against this premise that the study is theoretically anchored on Hoffman's Tax Planning Theory.

Empirical Review

Oyeshile and Adegbe (2020), evaluated the effect of corporate tax planning on the financial performance of Quoted food and beverages firms in Nigeria, with a population comprising 15 quoted food and beverages firms on the Nigerian Stock Exchange. The study covered a time scope of ten years between 2008-2018. Using total enumeration sampling method, the study employed ex-post facto research design. The data were analyzed using regression technique. From the analysis done, it was shown that corporate tax planning variables of effective tax rate, capital intensity, and thin capitalization do not have a significant positive effect on financial performance of a quoted food and beverages firm in Nigeria (Adjusted R²= 0.069: F-statistic(input)=8.81, p= 0.03830.05). All proxies of corporate tax planning practices have a significant positive effect on return on assets of the industry (Adjusted R²= 0.1095: F-statistic 37.76, p= 0.0000.05). Similarly, the result shows all

proxies of corporate tax planning practices do not have a significant positive effect on earnings per share of the food and beverages industry (Adjusted $R^2 = 0.068$; F-statistic 1.34, $p = 0.2639 > 0.05$).

Akintoye, Adegbe and Onyeka-Iheme (2020), examined the effect of tax planning (TP) strategies on profitability of manufacturing firms in Nigeria. Ex-post facto research design was adopted for the study. The population of the study comprised 52 manufacturing companies quoted on the Nigeria Stock Exchange as at 2018. Taro Yamani's formula was used to determine the sample size of 46 companies. Data were collected from the audited annual reports of the sampled companies for a period of 10 years (2008 – 2017). The validity and reliability were based on the statutory audit of the financial statements. Descriptive and inferential statistics were used to analyze the data. The result revealed that there is no significant effect of TP on Return on Assets (ROA) of Quoted Manufacturing Companies in Nigeria. This is evidenced by the results of the test, $Adj.R^2 = -0.000527$ and F-Statistics = 0.919439 and P-value of 0.431292. The Study concluded that tax planning strategies have both negative and positive effects on profitability of Quoted Manufacturing Companies in Nigeria. The study recommended that Tax Managers and Finance Officers should reduce thin capitalization and Capital Intensity to balance the source of income of manufacturing firms, while Research and Development costs should be properly managed to increase their contributions to profitability. The authors equally advised that professional tax practitioners should also be consulted for maximum benefit from tax planning.

Ugwu, Okwa and Inyang (2020), determined the effect of tax incentives represented by corporate income tax rate and investment allowance on investment growth in Nigeria from 1985-2018. The study adopted Ex Post Facto Research Design and time-series data were used. Relevant secondary data for this study were collected from the Central Bank of Nigeria (CBN) Statistical Bulletin, the National Bureau of Statistics (NBS) and the Federal Inland Revenue Service (FIRS). The study employed ordinary least square estimation and used regression analysis to test the relationship between tax Incentives and investment growth in Nigeria. The study shows that tax incentive policy is positively and significantly related to gross fixed capital formation. The findings showed that tax incentives have positive impact on gross fixed capital formation. The findings showed that there is a degree of co-variability between investment allowance and gross fixed capital formation in Nigeria. The result also indicates that a higher company income tax rate is associated with lower private investment and slower gross fixed capital formation. The implication of this finding is that since tax incentives represented by company income tax allowance and investment allowance have positive and significant impact on gross fixed capital formation, policy reform in other factors that affect investment growth is needed also to complement these incentives so that a better result can be achieved.

Abiodun (2020), investigated the impact of tax incentives on economic growth in Nigeria from 2010 to 2018. Data was collected from the Central Bank of Nigeria and Federal Inland Revenue Service. A multiple regression model was used, tax revenue was proxied by actual total tax collected, tax incentives was proxied by foreign direct investment equity and foreign direct investment other capital as independent variables. While economic growth was proxied by real gross domestic product (GDP) as the dependent variable. The data was tested for heteroscedasticity, multicollinearity and serial correlation to examine the robustness of the model. The findings revealed that there is a negative but insignificant relationship between tax revenue and economic growth. The

findings also revealed that there is negative but insignificant relationship between and foreign direct investment equity and economic growth. While empirical results confirm that there is a negative and significant relationship between foreign direct investment other capital and economic growth, the study recommended that the government should improve the mechanisms for the collection of taxes to stimulate economic growth. Also, it was advised that government should grant more incentives to sectors that drive growth, monitor such incentives gather relevant data of the actual amount of incentives relative to the economic growth in order to evaluate the efficiency of tax incentives.

Akinleye, Olarewaju and Fajuyagbe (2019), assessed the effect of corporate taxation on the investment policy of quoted manufacturing firms in Nigeria. The study adopted ex-post facto research design to achieve the objective of the research. Secondary data sourced from annual reports of the selected firms were analyzed using descriptive and inferential statistics. Specifically, static panel least square regression techniques were used. The results of the study revealed that company income tax (CIT) is positively related to the investment decision of the quoted manufacturing firm (INV), and thus enhances the investment of the quoted manufacturing firm (INV) in Nigeria. The probability value revealed that company income tax (CIT) had a statistical significant correlation with the investment of the quoted manufacturing firm in Nigeria. This implies that higher corporate income taxes are associated with lower investment in manufacturing firms. It was recommended that the Nigerian government should encourage and enhance manufacturing investment decision by designing an appropriate corporate income tax policy. It was concluded that an investment decision that is fostered on new capital encourages the implementation of new production techniques and thus should be engineered for the development of manufacturing firms.

Daniel and Faustin (2019), carried out a study on the effect of tax incentives on the growth of small and medium-sized enterprises (SMEs) in Rwanda. The study adopted the qualitative and quantitative research approach. The population of the study was made up by 49000 SMEs from agricultural, industrial, services and tourism sectors operating in Nyarugenge district. The authors obtained a sample size of 136 SMEs using Silovin and Yemen's formula of sample size. The data set was analyzed using descriptive statistics. A multiple regression analysis was used to explain the relation between variables. The study indicated that there was a strong positive and significant relationship between tax incentives and the growth of small and medium enterprises in Rwanda. The study concluded that tax incentives are the key to the sustainable growth of SMEs. The study recommended that government should design policies that specifically address issues related to the sustainable growth of SMEs.

Arzizeh, Onodi and Akachukwu (2018), determined the effect of tax incentives on foreign direct investment in the petroleum industry in Nigeria. An ex-post-facto research design was adopted for the purpose of the study. Secondary data were collected from the CBN statistical bulletin. The collected data were analyzed using regression analysis with the aid of STATA 13. The findings revealed that: tax incentives proxy by investment tax allowance, non-productive rent, capital allowance has a significant effect on foreign direct investment; tax incentives positively influence the living standards and per capital income, and expand variety of goods available to consumers. Based on the findings it was concluded that firms' enjoying tax incentives will generate more

employment opportunities than firms in highly taxed regions; conducive investment climate is a strong requirement for the flow of sustainable physical investment in an economy. The study recommended that tax policies should be amended to eliminate double taxation. Also it was recommended that tax incentives should be effectively implemented and efforts should be made by relevant tax authority to ensure that firms benefit from these incentives. Finally, investment climate in the country should be made conducive through effective policy formulation, implementation and the provision of adequate functional physical infrastructure.

Nnubia and Obiora (2018), examined the effect of tax incentives on economic growth in Nigeria. Ex-post facto research design was deployed for the purpose of the study. Secondary data were utilized in the course of carrying out the study. The time scope covered by the study was a ten-year period that spanned through 2007-2016. The secondary data for the study were sourced from the CBN Statistical Bulletin. The data collected were analyzed using Ordinary Least Square Method. The findings of the study revealed that the annual allowance is positive and has a significant impact on economic growth in Nigeria. It was also revealed by the results that investment allowance is negative and has a significant impact on economic growth in Nigeria. The study, therefore among others recommended that in order to encourage investment in the manufacturing industry, the policy makers and the government should formulate and enact laws that increase the rate of investment allowance from 15% to 20% on plant and machineries used in manufacturing business.

Ayuba and Tanko (2018), examined the impact of corporate tax on the performance of quoted manufacturing firms in Nigeria. Data for this study were generated through secondary source, extracted from the annual financial reports of quoted manufacturing firms in Nigeria on their official websites. The population of this study was all the quoted manufacturing firms in Nigerian. The sample size was however restricted to 6 quoted conglomerate firms in the Nigerian Stock Exchange (NSE) as at January 2017. The arrival at the sample size was based on the availability of annual reports within the period under study. The scope of the study was from 2007 to 2016. The research design adopted for the study was quasi-experimental. The techniques for data analysis were regression analysis, descriptive statistics and correlation matrix. The study employed STATA 2013 in running the entire necessary tests. The findings revealed that corporate tax and firm age positively and significantly influence the profitability of quoted manufacturing firms. It was recommended that government should increase the rate of corporate tax from 30% to enable it revive infrastructures thereby creating enabling environment for investment opportunities and business growth.

Bariyima, Nangih and Oyedokun (2018), investigated the effect of tax disincentives on business growth in Nigeria. Tax dis-incentives were seen from the dimensions of: problem of multiple 26 taxes, imposition of excess dividends tax and the minimum tax provisions, while business growth was measured using profit after tax and net assets per share growth. The paper adopted the survey and the ex-post facto research designs. The study sample consisted of 100 respondents selected from six quoted Oil and Gas marketing companies in Nigeria. Data were collected through the questionnaire and other secondary sources (company's financial statements) and analyzed using Pearson Product

Moment Correlation as well as Least Squares Regression techniques. Findings of the study showed that there exists a significant but negative relationship between tax disincentives and business growth in Nigeria. The paper concluded that tax disincentives had negative correlation with business growth in Nigeria. Consequently, it recommended, among others, the repeal of the provisions relating to excess dividends tax and minimum tax in CITA, which serve as a disincentive to business growth.

Kuria, Omboi and Achoki (2017), ascertained the effect of corporate income tax incentive on the performance of Export Processing Zones (EPZs) firms in Kenya. Panel data research design was used with a population of all the 86 registered EPZs firms. Census survey was adopted because the population of interest was small. Primary data was obtained using questionnaires. Secondary data from the registered firms was collected on: ROA, number and value of jobs and the length of stay of the firms. The study used both descriptive and inferential statistics to conduct data analysis. The results of study revealed that at 5% significance level, corporate income tax incentives had a positive and significant relationship with performance of EPZ firms measured using ROA. The results further revealed that at 5% significance level corporate income tax incentives were found to have positive and significant effect on number of jobs by EPZ firms and length of stay. The study concluded that increase in corporate income incentive led to an increase in the ROA, number of jobs and length of stay of the EPZ firms in Kenya. The study recommended that stakeholders in tax policy should reconsider the economic value of corporate tax incentive.

3.0 Methodology

In order to carry out this research, ex-post facto research design was used in determining the effect of tax incentives on the firm value of quoted food and beverage firms in Nigeria. The population of this study comprises all the sixteen (16) food and beverages companies that are listed on the floor of the Nigerian stock exchange market for the period between 2011 and 31st December, 2019. However, firms that got listed on the exchange market after the start period of this study (2011) or that got delisted before the end period of this study (2019) were deselected. The study used purposive sampling technique to determine the firms that make up the study sample size of eleven (11) food and beverage companies. Secondary data used were sourced from the annual reports of the selected food and beverages companies for a nine (9) year period that spanned from 2011 to 2019. The financial data were descriptively analyzed with the use of mean and standard deviation. Multiple regression analytical tool was chosen because each of the null hypotheses to be tested has more than one independent variables and one dependent variable. SPSS Version 22 was used to compute the statistical analysis.

Model Specification

The proxies of tax incentives are thin capitalization (TC) and capital intensity (CI). Firm value, which is the dependent variable, is represented by operational income before interest margin (OIBIM), and operational income before tax margin (OIBTM).

The mathematical representation of the relationship between tax incentives and firm value is given thus:

$$FV = f(TC, CI) \dots\dots\dots \text{eqn (i)}$$

For better estimation and using the two substitutes of firm value, two multiple econometric models were developed from eqn (i) as follows:

$$OIBIM_{it} = a_0 + b_1(TC)_{it} + b_2(CI)_{it} + \mu_{it} \dots\dots\dots \text{eqn (ii)}$$

$$OIBTM_{it} = a_0 + b_1(TC)_{it} + b_2(CI)_{it} + \mu_{it} \dots\dots\dots \text{eqn (iii)}$$

Where,

OIBIM = Operational Income Before Interest Margin

OIBTM = Operational Income Before Tax Margin

TC = Thin Capitalization

CI = Capital Intensity

a_0 = Constant

b_1 = Coefficient of the independent variable

μ = Disturbance

i = Firm of interest

t = Period of interest

Decision Rule

The study conducted its inferential statistical tests at 5% level of significance. Consequently, the null hypothesis is accepted if the *p-value* is greater than 0.05 while the alternate hypothesis is rejected, and vice versa.

Table 1: Operational Measurement of Variables

Type of Variables	Description and Measurement	
	Variable	
1. Operational Income Before Interest Margin (OIBIM)	Dependent	$\frac{\text{Earnings before Interest}}{\text{Total Revenue}}$
2. Operational Income Before Tax Margin (OIBTM)	Dependent	$\frac{\text{Earnings before Tax}}{\text{Total Revenue}}$
3. Thin Capitalization (TC)	Independent	$\frac{\text{Total Debt}}{\text{Total Equity}} \times 100$
4. Capital Intensity (CI)	Independent	$\frac{\text{Fixed Assets}}{\text{Total Asset}}$

Source: Researcher's Compilation, (2021)

4.0 Data Presentation and Analysis

Table 2: Descriptive Statistics of the Data

	N	Mean	Std. Deviation
Operating Income Before Interest Margin	99	.1118	.20421
Operating Income Before Taxation Margin	99	.0865	.24164
Thin Capitalization	99	134.7445	129.70678
Capital Intensity	99	.5196	.19427
Valid N (list-wise)	99		

Source: SPSS Version 22 Output, 2021

Table 2 above shows that Operating income before interest margin (OIBIM) has a mean of N11.18 with a standard deviation of N20.42. That means, on average there is over 11% operating income before interest per 100% sales made. However, the standard deviation reveals that this is not widely obtainable in all the quoted Food and Beverages firms since the huge standard deviation indicates dispersion. Operating income before tax margin (OIBTM) has a mean of N8.65 with a standard deviation 0.2416 indicating that for every sale made, there is over 8% net profit left before corporate income taxation. Thin capitalization (TC) has a mean of 134.74 with a standard deviation of 129.71. Capital intensity (CI) has a mean of .5196 with a standard deviation of 0.1943.

Test of Hypothesis I

H₀₁: Tax incentives do not significantly affect the operating income before interest margin (OIBIM) in quoted food and beverages firms in Nigeria.

Table 3: Regression Output for Hypothesis I

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.379 ^a	.143	.116	.19197

a. Predictors: (Constant), Capital Intensity, Thin Capitalization

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.586	3	.195	5.301	.002 ^b
	Residual	3.501	95	.037		
	Total	4.087	98			

a. Dependent Variable: Operating Income Before Interest Margin

b. Predictors: (Constant), Capital Intensity, Thin Capitalization

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1					
(Constant)	.293	.063		4.659	.000
Thin Capitalization	2.890E-5	.000	.018	.188	.852
Capital Intensity	-.385	.103	-.366	-3.756	.000

a. Dependent Variable: Operating Income Before Interest Margin

Source: SPSS Version 22 Output, 2021

Interpretation of Result

According to the result of the analyzed data in Table 3, the function of multiple linear regressions was built in the model: $OIBIM = 0.293 + 0.018TC - 0.366CI$

The results of the pooled regression exploring the effect of tax incentives on operating income before interest margin (OIBIM) are presented in Table 3. The results showed that on thin capitalization has positive and significant relationship with operating income before interest margin of food and beverage firms in Nigeria ($\beta_1 = 0.018$, $p\text{-value} < 0.05$). The results also showed that information on capital intensity has a negative and significant relationship with operating income before interest margin of food and beverages firms in Nigeria ($\beta_2 = -0.366$, $p\text{-value} < 0.05$).

The coefficient of correlation, R, which is 0.379, revealed that the association between tax incentive and operating profit before interest margin is moderate. That is, movement in OIBIM is significantly influenced by movement in only CI ($P > |t| = 0.000 < 0.05$). The result also showed that tax incentives is statistically significant in explaining variations in OIBIM at 5% level of significance. The value of R-squared of 0.143 is an indication that there was variation of 14% on firm value measure (OIBIM) due to changes in tax incentives. This shows that only 14% changes in OIBIM of quoted food and beverages could be accounted for by the joint interaction of thin capitalization, capital intensity and capital allowance. Testing the overall significance of the model, the results also confirmed that the model is statistically significant at 5% level of significance with the Prob.(F-statistic) = 0.002.

Decision

Since there is strong evidence that OIBIM is influenced by tax incentives at 5% level of significance, therefore, this research concludes that tax incentives significantly affect the operating income before interest margin (OIBIM) in quoted food and beverage firms in Nigeria [$F(3, 95) = 5.301$, $p\text{-value} = 0.002$].

Test of Hypothesis II

H_{02} : Tax incentives have no significant effect on the operating income before tax margin (OIBTM) of quoted food and beverage firms in Nigeria.

Table 4: Regression Output for Hypothesis II

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.423 ^a	.179	.153	.22237

a. Predictors: (Constant), Capital Intensity, Thin Capitalization

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.025	3	.342	6.909	.000 ^b
	Residual	4.698	95	.049		
	Total	5.722	98			

a. Dependent Variable: Operating Income Before Taxation Margin

b. Predictors: (Constant), Capital Intensity, Thin Capitalization

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	.361	.073		.000
	Thin Capitalization	.000	.000	-.069	.471
	Capital Intensity	-.530	.119	-.426	.000

a. Dependent Variable: Operating Income Before Taxation Margin

Source: SPSS Version 22 Output, 2021

Interpretation of Regression Result

The results of the pooled regression that explored the effect of tax incentives on operating income before tax margin (OIBTM) are presented in Table 4. The results showed that information on thin capitalization has no significant relationship with operating income before tax margin of food and beverages firms in Nigeria ($\beta_1 = -0.069$, $p\text{-value} > 0.05$). The results also showed that information on capital intensity has a negative and significant relationship with operating income before tax margin of food and beverages firms in Nigeria ($\beta_2 = -0.426$, $p\text{-value} = 0.000$). That is, movement in OIBTM is significantly influenced by movement in only CI ($P > |t| = 0.000 < 0.05$).

The coefficient of correlation, R , which is 0.423, revealed that the association between tax incentive and operating profit before tax margin is moderate. The result also showed that tax incentives is statistically significant in explaining variations in OIBTM at 5% level of significance. The value of R -squared of 0.179 is an indication that there was variation of about 18% on firm value measure (OIBTM) due to changes in tax incentives. This shows that only 18% changes in OIBTM of quoted food and beverages could be accounted for by the joint interaction of thin capitalization and capital intensity. Testing the overall significance of the model, the results also confirmed that the model is statistically significant at 5% level of significance with the Prob (F -statistic) = 0.000.

Decision

Since there is strong evidence that OIBTM is influenced by tax incentives at 5% level of significance. Therefore, this research concludes that tax incentives have significant effect on the operating income before tax margin (OIBTM) of quoted food and beverage firms in Nigeria ($F [3, 95] = 7.909, p\text{-value} = 0.000$).

Discussion of Findings

The two proxies for tax incentives, thin capitalization and capital intensity have both significant relationships with operating income before interest margin. Though capital intensity had negative value of -0.366. Increase in thin capitalization by 1 unit increase operating income before interest margin by 0.018, but reduces operating income before tax margin by 0.069. However, the effect of thin capitalization is significant enough as to increase or reduce firm value.

It was shown in the results that whenever capital intensity is increased by 1 unit, there will be a corresponding 0.366 and 0.426 significant decrease in OIBIM and OIBTM respectively. However, the joint interactions of the proxies for tax incentives showed a significant relationship between tax incentives and firm value. The findings of the study agree with those of Oyeshile and Adegbeie (2020); Akintoye, Adegbeie and Onyeka-Iheme (2020). However, the study contradicted the findings of Kuria, Omboi and Achoki (2017) ascertained the effect of corporate income tax incentive on the performance of Export Processing Zones (EPZs) firms in Kenya. The reason for the disparity in findings could be as a result of different proxies that were used by this study. The result is in line with the study of Ugwu, Okwa and Inyang (2020), who found tax incentive policy positively and significantly related to gross fixed capital formation.

Conclusion and Recommendations

One of the ways managers seek to maximize the value of their shareholders' wealth is by reducing their expenditure, such as tax liability. Hence, firms consciously spread or reduce their tax liability in a way that does not go against the stipulations of the law. They do this by utilizing some of the available tax allowances, tax exemptions, policies, guidelines, tax incentives and relief. The results of the analysis suggest that the firm value of food and beverage firms is improved by thin capitalization and capital intensity because firms structure their affairs in a way that reduces, defers or eliminates the amount of their tax liability. For firm value to be maximized, it is imperative that the excessively high tax burden on the shoulders of most food and beverages firms be devaluated in order not to stifle the financial lots of such firms. The study recommends that tax incentives should be sustained as it equitably taxes firm with thin capitalization and capital intensity. Tax Practitioners should also be consulted for tax planning, for optimum sustainability of the firms.

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Appendix I: Data Presentation

Company	Year	OIBIM	OIBTM	TC	CI
1. Cadbury Nigeria Plc.	2011	.15	.17	87.58	.35
	2012	.14	.20	82.84	.33
	2013	.16	.21	79.92	.39
	2014	.07	.06	149.70	.59
	2015	.05	.06	131.31	.54
	2016	-.02	.00	156.79	.50
	2017	.02	.01	142.05	.49
	2018	.05	.03	117.16	.49
	2019	.03	.04	112.31	.47
2.Champion Brewery Plc.	2011	-.70	-.99	248.38	.73
	2012	-.68	-1.08	98.23	.83
	2013	-.24	-.77	98.28	.79
	2014	.01	-.13	63.40	.71
	2015	.06	.06	45.04	.67
	2016	.16	.16	29.86	.68
	2017	.12	.13	24.01	.69
	2018	-.05	-.05	32.15	.72
	2019	.03	.03	36.72	.71
3. Dangote Sugar Refinery Plc.	2011	.10	.10	74.99	.24
	2012	.15	.15	79.50	.22
	2013	.20	.20	61.87	.30
	2014	.18	.19	66.23	.30
	2015	.19	.18	60.68	.28
	2016	.12	.12	135.89	.17
	2017	.24	.28	97.63	.18
	2018	.25	.26	83.56	.19
	2019	.23	.24	63.45	.16

4. Guinness Nig. Plc.	2011	.21	.21	128.95	.50
	2012	.17	.16	154.10	.74
	2013	.17	.14	162.95	.73
	2014	.15	.11	193.66	.69
	2015	.13	.09	152.88	.72
	2016	.04	-.02	228.83	.64
	2017	.08	.02	240.07	.60
	2018	.09	.07	74.97	.64
	2019	.07	.05	80.54	.63
5. Honeywell Flour Mill Plc.	2011	.11	.12	108.55	.38
	2012	.08	.11	181.97	.59
	2013	.08	.08	198.80	.63
	2014	.10	.08	209.78	.57
	2015	.04	.03	234.44	.73
	2016	-.04	-.06	364.76	.71
	2017	.16	.10	116.21	.88
	2018	.13	.07	121.37	.83
	2019	.05	.01	142.65	.78
6. Northern Nig. Flour Mills Plc.	2011	1.37	1.25	148.49	.20
	2012	.02	.00	148.98	.22
	2013	.08	.03	125.66	.23
	2014	.03	.03	84.15	.21
	2015	-.03	-.02	63.76	.30
	2016	-.29	-.16	39.08	.35
	2017	.00	-.01	249.91	.46
	2018	.12	.00	403.95	.36
	2019	.13	.00	333.90	.42
7. Nascon Allied Industries Plc.	2011	.31	.32	73.68	.33
	2012	.30	.30	62.51	.34
	2013	.37	.37	65.85	.50
	2014	.25	.25	99.07	.53
	2015	.19	.19	129.89	.41
	2016	.21	.19	205.77	.26
	2017	.28	.29	161.14	.31
	2018	.23	.25	154.51	.39
	2019	.11	.10	248.70	.39

8. Nestle Nigeria Plc.	2011	.22	.19	234.89	.71
	2012	.22	.21	160.24	.74
	2013	.21	.20	166.56	.57
	2014	.20	.17	195.11	.64
	2015	.22	.19	213.67	.58
	2016	.21	.12	449.21	.41
	2017	.23	.19	227.12	.49
	2018	.23	.22	223.24	.45
	2019	.25	.25	324.46	.41
9. Nigerian Breweries Plc.	2011	.25	.25	151.08	.37
	2012	.26	.22	171.42	.56
	2013	.26	.23	124.96	.61
	2014	.25	.23	103.44	.55
	2015	.21	.19	107.11	.55
	2016	.17	.13	121.73	.52
	2017	.17	.14	114.83	.51
	2018	.11	.09	133.29	.52
	2019	.11	.07	128.27	.53
10. Unilever Nigeria Plc.	2011	.15	.15	234.00	.46
	2012	.16	.15	271.13	.53
	2013	.13	.11	368.06	.53
	2014	.08	.05	511.54	.54
	2015	.08	.03	526.90	.55
	2016	.08	.06	520.12	.40
	2017	.14	.12	59.51	.25
	2018	.10	.16	59.25	.23
	2019	-.19	-.17	55.84	.31
11. Union Dicon Salt	2011	.00	.00	-106.42	.90
	2012	.00	.00	-108.13	.71
	2013	.00	.00	-107.99	.72
	2014	.00	.00	-108.03	.69
	2015	.00	.00	-105.91	.91
	2016	.00	.00	-114.31	.70
	2017	.00	.00	-109.22	.90
	2018	.00	.00	-105.42	.78
	2019	.00	.00	-105.84	.70

Source: Annual Reports (2011 -2019)

IMPACT OF PUBLIC-PRIVATE PARTNERSHIP ON HUMAN CAPITAL DEVELOPMENT: MICRO ECONOMETRIC ANALYSIS IN YOBE STATE

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ABSTRACT

The core thrust of the empirical study is built on establishing the impact of public and private partnership in Yobe state. To this end, the study develops empirical questions that guide the research design. The study sets the followings questions; what is the impact of public-private partnership on human capital development in Yobe. For these empirical questions to be answered, the study, purposely, selects the study area to be Yobe metropolitan due to its availability of public- private partnership in Yobe. Eight (8) local governments are sampled for the study and structured questionnaire covering all aspect of the research questions raised is used to collect first-hand information from over 600 beneficiaries of public-private partnership in the study locations. The study employs quantitative method of data analysis to deduce inference and infer from statistical data analysis. Specifically, the study uses descriptive statistical tools to describe the socio-economic characteristics of the respondents and concludes on the demographics of the respondents. To make informed data decision, the study uses the recently introduced econometric methods which is the generalized ordered logit regression model. Therefore, data collected are subjected to variants of categorical ordered models and inferences on the extent, magnitude and impact of public-private partnership on human capital development. Based on the estimates of the models' parameters, the study reveals that there is significant impact of public-private partnership on enhancing human capital development in Yobe. Based on the empirical findings of the study, recommendations to re-design framework that is accommodative for accessing more beneficiaries of public-private partnership suggested by the study.

Keywords: Public-Private Partnership, Human Capital Development, Micro econometric Analysis, Regression model, Public Private Partnership.

INTRODUCTION

Nigeria's economic development plan is anchored on the Nigerian Vision 20:2020, a long-term economic transformation blue-print that envisions Nigeria becoming one of the top 20 economies in the world by the year 2020 with a large, strong, diversified, sustainable and competitive economy that effectively harnesses the talents and energies of its people and responsibly exploits its natural endowments to guarantee a high standard of living and quality of life to its citizens (One of the strategies for achieving the vision is by investing to transform the Nigerian people into catalysts for growth and national renewal, and a lasting source of competitive advantage (Kingsley, 2013).

The health system in Yobe state is fragmented between State Ministry of Health (SMOH), Hospital Management Board (HMB) and State Primary Health Care Management Board (SPHCMB). For instance, primary health care is provided by SPHCMB. The SPHCMB is responsible for coordinating the activities of Primary Health Care (PHC) facilities. The facilities are distributed across 17 Local Government Areas (LGAs) of the state, every LGA is managed by a PHC coordinator responsible for coordinating all primary health care activities within the LGA, also for the purpose of management the LGAs are divided into 6 health zones headed by a zonal officer responsible for coordinating health activities within the zone. All secondary facilities are being managed by HMB while the SMOH develop policies and strategies for the health sector as well coordinate the activities of the Ministries Department and Agencies (MDAs). Currently, there are about 517 facilities in the state of which 504 are primary, 12 are secondary and 1 tertiary (a second, which is a new Ultramodern Hospital has reached an advanced stage of completion). Infrastructural upgrades have also been carried out over the last several years in most of Primary Health Centres (PHCs), and 4 General Hospitals (GH). In the State Specialist Hospital, an amenity ward was constructed to improve services; a maternity complex was also constructed in order to keep up with the growing demand. Maternity complexes were also constructed in 4 general hospitals of (Potiskum, Fika, Buniyadi and Damagum). In addition, a new accident and emergency unit and staff quarters were constructed at GH Potiskum and GH Damagum respectively. The upgrade of five comprehensive health centers to GHs across five local government areas (Yusufari, Machina, Nguru, Tarmuwa and Gulani) is in the pipeline. In terms of preventive services, robust programmes on communicable disease are operational in the state with development partners' support. The government support for preventive services is demonstrated by the purchase of new Toyota Hilux to improve surveillance, procurement of Sulphadoxime pyrimethamine (SP) and coartem for under-fives and pregnant women, provision of Antiretroviral Therapy (ART), Human Immune Virus (HIV) consumables and other drugs, free TB and leprosy treatment, and support lid surgery for 2,400 eyes and cataract extraction for 600 eyes. In line with its policy of ensuring availability of drugs and vaccines across board, drugs and vaccines have been procured and distributed to the health care facilities under the platform of the free drugs

program, Millennium Development Goals (MDGs), SPHCMB and the HMB.

The need to provide quality health and education as a way of fast-tracking development is a key component for development and sustainability. Due to public resource gap, health and education services are often provided by private entities with varied results as to the quality provided by each. The challenge is to undertake an empirical based research among relevant stakeholders in Yobe State to identify quality of service perception, document the variance of their provision between private and public entities and articulate strategies for mitigating identified challenges. The study aimed at producing an empirical study and findings that will help human capital development agencies and stakeholders in Yobe State. Despite this considerable investment in the health and education sector over the years, available evidence suggests that health and education services in the state are delivered through a weak healthcare system as well as poor quality education. Consequently, it is unable to provide basic cost-effective services for the prevention and management of common health problems especially at the LGA and Ward levels resulting in poor health indices and general health status of the population. The majority of the public health facilities especially PHC centers are in a state of disrepair, and most public health facilities in Yobe are poorly equipped. This is also reflected in findings from a recent survey of public PHC.

The findings will serve as reference point to policy makers in Yobe state on Human Capital development and bridge the gap in literature on the case study and also serve as references to other researchers on related study. The main objective of the research is to evaluate the impact of the activities of public and private health services providers for socio-economic development of individuals in Yobe State. While the specific objectives are to: examine the impact of public and private health services providers on socio-economic status of individual in Yobe State; investigate the sustainability of public and private health services provision among the beneficiaries in Yobe State; identify the roles of the key success factors that drive health for socio-economic development among the beneficiaries in Yobe State.

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2. Empirical Review

Adebiyi and Oladele (2005) empirically investigated the relationship between public education expenditure and defense spending in Nigeria. The study employed the error correction mechanism and the vector autoregressive (VAR) models and found a negative tradeoff between defense spending and public education expenditure. Analysis of the impulse response functions derived from the VAR model reveals that past public education expenditure shocks has a positive but declining relationship with current public education expenditure in the first two years after which it turns negative. Also, the impulse responses show that increase in defense spending will increase public

expenditure available for education in the short-run. The study did not examine the causal link between the various levels of education and economic growth. Jung and Thorbecke (2003) found that their simulation results imply that education outlay can raise economic growth.

Aighokhan, Imahe and Ailemen (2005) analyzed the impact of education expenditures on human capital development. The study used historical data to establish the correlation between public education expenditure and human capital development in Nigeria and noted that insufficient and uncertain budgetary allocations to education have resulted in the deterioration of its impact on human capital development. Education spending as percentage of annual budgets were low and unstable during the period studied. The study did not analyze the channels through which education expenditure impact on human capital development.

Omotor (2004) analyzed the determinants of federal government expenditures in the education sector in Nigeria using the ordinary least squares (OLS) methods. The study revealed that the trend in education expenditure in Nigeria is unstable which reflects the instability in government earning. Government revenue was the only significant determinant of education expenditures as revealed by the results of the regression. The study recommends a diversification of the sources of funding education so as to reverse the unstable trend in that sector.

Owoeye and Adenuga (2005) investigated the relationship between expenditures on education and health, and economic growth. The study estimated a parsimonious error correction model and found out that expenditures on education impacts positively on economic growth. The study recommended that more resources should be channeled towards the level of education where the benefits are higher for the individual and the society at large. The study did not investigate the direction of the link between educational expenditures and economic growth. Following Adebisi and Oladele (2005), the study sought to examine the causal relationship between federal government spending on education and economic growth using Nigerian data.

On the view of Chemingui (2005), total factor productivity will increase if government expenditure is directed to the major three priority areas of the economy such as education, education and health and agriculture. The increase in TFP will affect the entire economy through increase in sectors. Empirical evidence shows the importance of investment in social services in improving human capital and mainly for the poor in order to reduce poverty over the long run. Reviewing some cross-country studies conducted by Klenow and Rodriguez-Clare (1997) and Easterly and Levine (2001), about the differences in income levels and growth rates, government expenditure on Research and Development (R&D), infrastructure, and human capital is believed to be one of the determinants of high level of income and economic growth, mainly through improving total factor productivity of different countries.

As argued by Enyikit and Teerah (2011), Human capital presupposes investment, activities,

processes that produce vocational and technical education, knowledge, skills, health and values that are embodied in people. Oluwatobi and Ogunrinola (2011) in their study examined the relationship between government expenditure- capital and recurrent on health and education in Nigeria. Their findings indicate a positive relationship between human capital and recurrent expenditure spent, but found a **negative** relationship between capital expenditure and human capital development in Nigeria, indicating the disproportionality of spending relative to defined needs for human capital development.

Beyond inadequate capital spending on health and education in Nigeria, poor enrolment rates, low graduation rates, inadequate infrastructure and weak/sustained long term funding as the major causes low human capital quality in Nigeria (FSS, CBN, 2007). Other studies are sector specific in human capital quality sector as a study by Kanayo (2013) analyses the relationship between economic growth and investment in primary and secondary education and discovered a positive relationship. Another study evaluated the potentials of Nigeria as a nation and discovered that same can only be fully harnessed for national development and prosperity through massive investment in human capital- education in particular and followed with reforms in the content and curriculum of our educational syllabus (Leonard-Fwa 2012). In another study carried out by Isola and Alani (2012) on the extent of public expenditure on health and education discovered that though little resources have been committed to them, empirical evidence shows that both education and health are crucial to economic growth and development due to their positive externality effect on income and productivity.

On another strand Uwem and Abubakar (2013) submitted that Public-Private-Partnership (PPP) in Nigeria has the capacity to improve cost effectiveness and yield the desired infrastructural development when fully utilized. They suggested that PPP can become self-sustaining through an institutional restructuring process that creates a chain of full-service PPP agencies, vested with both regulatory and executive powers as is the case in many global best practice countries. The research also hinted the need for improved legislative framework for sustainable long term financing models, and a comprehensive business dispute resolution.

Meanwhile, Public Private Partnership (PPP) is gaining grounds in Nigeria mostly due to fiscal deficit of the economy and the enormous infrastructural gap. The drop in Oil prices is further accentuating the need for PPP for both Human capital and Infrastructural development. The government has leveraged on the financial muscle of the private sector to undertake some infrastructural concession through the Infrastructure Concession Regulatory Commission (ICRC) and other quasi bodies. This practice has been implemented successfully on roads, ports, dams, housing and on most development projects which are important supplements to human capital Development. (Dominic et.al 2015).

In their Findings, Fadeyi, Adegbuyi, Ogbonna, Agwu (2016), revealed that Public Private Partnerships in Nigeria are faced with challenges mostly lack of financing or high cost of capital. This is in addition to the lack of experience in project financing by the financial institutions as well as lack of strong institutional and legal framework. To address the challenges and achieve the desired development, the study recommends the establishment of the required regulatory framework for proper implementation of Public Private Partnership projects. Moreover, Nigerian banks through the CBN should be assisted to cope with the financing skills required for PPP.

Fadeyi Et.al (2018) concluded that Many Countries had benefited through PPP and are still benefitting. It also has the potential to develop country like Nigeria by improving sustainability and infrastructural development through value for-money project assessments and improved delivery performance. There is, however, the need for institutional design with special focus on private sector investment drive, which stimulates market development, regulation, dispute resolution and other challenges faced by PPP.

3 Methodology

Research methodology refers to the analysis of principles of methods, rules and techniques. It involves the systematic study of methods which are to analyze a specific study. The research targeted the users of public private partnership of health in Yobe State, using stratified sampling. Therefore, we can define the population of the study as all the users and beneficiaries of health services via public private partnership in Yobe State.

The research intends to use stratified sampling in selecting respondents. The population will be segregated into several mutually exclusive subpopulations or strata herein referred to as beneficiaries' categories. The research will apply proportionate stratification that is based on the stratum's share of the total population to come up with the sample in each stratum.

It is a Multi category Response Variable (MRV) since the respondents will be required to choose among five mutually exclusive alternatives. Specifically, the respondents will be asked to choose whether or not their socio-economic status greatly improved, slightly improved, remained the same, slightly deteriorated and greatly deteriorated.

Formally, if we assume y_i to represent the observed perception of socio-economic status of individual in Yobe State of the i^{th} beneficiary in Public School, Public Hospital, Private School or Private Hospital public and private health services providers which takes 1 if his or her socio-economic status has greatly improved, 2 if slightly improved, 3 if remained the same, 4 if slightly deteriorated and 5 if greatly deteriorated, then we can also assume that there is an underlying propensity y_{ij}^* for a given perception of socio-economic status of individual in Yobe State that depends on the matrix X of observed covariates of the i^{th} observation, with ε_i a random error capturing all other factors that can

also influence the unobserved variable but whose effects are jointly insignificant. Thus, the relationship between y_{ij}^* and X can be expressed as

$$y_{ij}^* = X\beta + \varepsilon_i \quad (1)$$

More explicitly, if we assume X to be a set of socioeconomic characteristics including program's status of the beneficiaries, then equation (8) can be written as

$$y_{ij}^* = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \beta_5 x_5 + \beta_6 x_6 + \beta_7 x_7 + \beta_8 x_8 + \beta_9 x_9 + \beta_{10} x_{10} + \beta_{11} x_{11} + \varepsilon_i \quad (2)$$

Where

y_{ij}^* is linked to the observed socio-economic status y_{ij} through the following function

$y_{ij} = 1$ = Strongly improved if $-\infty < y_{ij}^* < \tau_1$

$y_{ij} = 2$ = Slightly improved if $\tau_1 \leq y_{ij}^* < \tau_2$

$y_{ij} = 3$ = Remained the same if $\tau_2 \leq y_{ij}^* < \tau_3$

$y_{ij} = 4$ = Slightly deteriorated if $\tau_3 \leq y_{ij}^* < \tau_4$

$y_{ij} = 5$ = Slightly deteriorated if $\tau_4 \leq y_{ij}^* < +\infty$

Where β_0 is the intercept, β_1 through β_{11} are the partial effects of the covariates on the propensity of socio-economic status of individual in Yobe State and τ_1 through τ_4 are threshold values to be estimated. But theoretically, equation (2) cannot be identified since y_{ij}^* is unobserved. It has been demonstrated that if we assume that ε_i (random error) is logistically distributed with mean 0 and standard deviation $\pi^2/3$, the probability to observe a particular perception of socio-economic status can be given as

$$p(y_{ij} = 1 | x) = 1 - \frac{\exp(\beta_{01} + X\beta_1)}{1 + \exp(\beta_{01} + X\beta_1)}$$

$$p(y_{ij} = 2 | x) = \frac{\exp(\beta_{02} + X\beta_2)}{1 + \exp(\beta_{02} + X\beta_2)} - \frac{\exp(\beta_{01} + X\beta_1)}{1 + \exp(\beta_{01} + X\beta_1)}$$

$$p(y_{ij} = 3 | x) = \frac{\exp(\beta_{03} + X\beta_3)}{1 + \exp(\beta_{03} + X\beta_3)} - \frac{\exp(\beta_{02} + X\beta_2)}{1 + \exp(\beta_{02} + X\beta_2)}$$

$$p(y_{ij} = 4 | x) = \frac{\exp(\beta_{04} + X\beta_4)}{1 + \exp(\beta_{04} + X\beta_4)}$$

Where $p(y_{ij} = 1 | x)$ = probability that the perceived socio-economic status is strongly improved, $p(y_{ij} = 2 | x)$ = probability that the perceived socio-economic status has slightly improved, $p(y_{ij} = 3 | x)$ = probability that the perceived socio-economic status has strongly improved, $p(y_{ij} = 4 | x)$ = probability that the perceived socio-economic status has remained the same, $p(y_{ij} = 5 | x)$ = probability that the perceived socio-economic status has slightly deteriorated and $p(y_{ij} = 6 | x)$ = probability that the perceived socio-economic status is strongly deteriorated. The expression exp = Exponential; the parameters β_{01} through β_{04} are the intercept term across the four (public schools, public hospitals, private schools and private hospitals) alternatives of socio-economic status while the parameters β_1 through β_4 represent the slope parameters across four (public schools, public hospitals, private schools and private hospitals) alternatives of socio-economic status. The impact of public and private health services providers on socio-economic status of individual in Yobe State proxy by perception of socio-economic status.

4. Empirical Results

In this section, the data collected from the field via the administration of structured questionnaire, is analyzed, interpreted and conclusions on the ability of the selected public and private health and education services providers to contribute towards the socio-economic status of individual in Yobe State of the beneficiaries drawn from it. This section begins with brief feedback from the field obtained in the course of administering questionnaire. This is followed by some descriptive statistics on selected variables of the questionnaire, and finally an analysis following the methodological approach indicated in section three.

This section has the objective of determining the Socio-economic characteristics of the beneficiaries of the programmes under study. Here the variables of interest are the spread of the respondents within Yobe Metropolitan City, gender, age distribution of the respondents, the options opened to all the 42 variables used, range between 0 and 9 options. This suggest that the minimum and maximum values a variable can take, can either be 0 or any other number up to 9. 0 in the options as a whole for a particular variable indicates the respondent in such a particular case did respond or provide the appropriate information to such a question. Among the 42 variables in the study, 31 of such feedbacks were recorded. However, this is not a setback as such feedback per variable is an out layers, except for one for which success of the PPPs did not necessitate a response. While the means for the variables varied significantly, the standard deviations were relatively small ranging between 0.23 and 2.24. The small standard deviations give credence to the results.

Table 1: Summary of variables in the socio -economic status of individual in Yobe State model

Variable	Obs	Mean	Std. Dev.	Min	Max
x_1	549	0.42	0.49	0	1
x_2	549	0.04	0.20	0	1
x_3	549	0.16	0.37	0	1
x_4	549	0.42	0.49	0	1
x_5	549	0.73	0.45	0	1
x_6	549	0.63	0.48	0	1
x_7	549	0.16	0.37	0	1
x_8	549	0.67	0.47	0	1
x_9	549	0.62	0.49	0	1
x_{10}	549	0.93	0.26	0	1
x_{11}	549	0.45	0.50	0	1

Source: Author's Computation from Stata 16 package

$x_1 = 1$ if benefited from Public Hospital and 0 otherwise;

$x_1 = x_2 = 1$ if benefited from Private School and 0 otherwise;

$x_3 = 1$ if benefited from Private Hospital and 0 otherwise;

$x_4 = 1$ if beneficiary is male and 0 otherwise;

$x_5 = 1$ if beneficiary is less than or equal to 40 years old and 0 otherwise;

$x_6 = 1$ if beneficiary is married and 0 otherwise;

$x_7 = 1$ if beneficiary has primary level of education and 0 otherwise;

$x_8 = 1$ if beneficiary's children are going to school and 0 otherwise;

$x_9 = 1$ if beneficiary operated his/her business within his/her LGA of origin and 0 otherwise;

$x_{10} = 1$ if beneficiary is willing to continue his/her business and 0 otherwise;

$x_{11} = 1$ if beneficiary receives grant between N20, 000 and N50, 000 and 0 otherwise;

With respect to the distribution of respondents within Yobe Metropolitan LGAs, Table 2 above is reflective of the 549 respondents, the highest came from Gashuwa representing 15.1%, while the lowest (10.6%) came from Damaturu. The rest of the respondents in the other local governments fall within these lowest and highest brackets. This tallies with the number of beneficiaries of the selected programmes, as Gashuwa had the highest, while Damaturu and Patiskum had the lowest number of beneficiaries among Yobe Metropolitan LGAs. Clearly, the number of respondents is therefore evenly distributed among the metropolitan LGAs to achieve the desired objectivity, required for robust results.

Table 2: Frequency distribution of the socioeconomic characteristics of the beneficiaries based on the (PPP) programmes

Programme				
	Public	Private		
PUS	Hospital	School	PRH	
(n1=205)	(n2=233)	(n3=23)	(n4=88)	Pooled
Household-head				
126 (65.28)	105 (52.76)	18 (85.71)	57 (65.52)	306 (61.2)
67 (34.72)	94 (47.24)	3 (14.29)	30 (34.48)	194 (38.8)
164 (80.39)	150 (64.38)	13 (56)	66 (75)	230 (41.97)
40 (19.61)	83(35.62)	10(44)	22 (25)	318 (58.03)
97 (48.5)	104 (44.64)	12 (52.17)	58 (65.91)	271 (49.82)
16 (8)	14 (6.01)	2 (8.7)	3 (3.41)	35 (6.43)
86 (43)	111 (47.64)	9 (39.13)	27 (30.68)	233 (42.83)
1 (0.5)	4 (1.72)	0 (0)	0 (0)	5 (0.92)
173 (86.07)	146 (63.2)	16 (69.57)	65 (73.86)	400 (73.66)
28 (13.93)	75 (32.47)	7 (30.43)	22 (25)	132 (24.31)
0 (0)	10 (4.33)	0 (0)	1 (1.14)	11 (2.03)
9 (4.43)	60 (26.55)	4 (17.39)	15 (17.05)	88 (16.3)
41 (20.2)	77 (34.07)	8 (34.78)	29 (32.95)	155 (28.7)
123 (60.59)	38 (16.81)	7 (30.43)	29 (32.95)	197 (36.48)
30 (14.78)	51 (22.57)	4 (17.39)	15 (17.05)	100 (18.52)

Source: Authors' Computation Stata 16 Package

Note: PRH= Private Hospital. Values in brackets are percentage, PUS= Public School

Impact of public and private health and education services providers on socio-economic status of individual in Yobe State

The impact of a programme can be defined as the change in the outcome of interest for a change in the policy or treatment variable due to intervention. In this study as already seen, there are four policy or treatment variables (Public Schools, Public Hospital, Private School and Private Hospital) and these are coded as PUS, PUH, PRS and PRH respectively. This section is concerned in assessing their impacts on socio-economic status of individual in Yobe State which can be measured by wealth's indicators such as savings and assets. In carrying out this investigation, two levels of analysis were conducted. Firstly, a descriptive analysis of the impact of the four programmes was performed and secondly an inferential analysis was conducted to assess the impact of the four public and private health and education services providers on socio-economic status of individual in Yobe State proxied by perceived socio-economic status.

Descriptive analysis of the impact of public and private health and education services providers on socio-economic status of individual in Yobe State proxy by perceived socio-economic status, assets and savings

Table 3: Impact of public and private health and education services providers on socio-economic status of individual in Yobe State

Socio-economic status of individual in Yobe State	Programme				
	PUS	Public Hospital	Private School	PRH	Pooled
Savings					
0-10,000	167 (86.53)	140 (64.81)	13 (59.09)	66 (82.5)	386 (75.54)
11,000-20,000	17 (8.81)	69 (31.94)	7 (31.82)	9 (11.25)	102 (19.96)
21,000-30,000	8 (4.15)	4 (1.85)	2 (9.09)	4 (5)	18 (3.52)
>30,000	1 (0.52)	3 (1.39)	0	1 (1.25)	5 (0.98)
Assets acquired					
Land	0	2 (0.88)	0	1 (1.22)	3 (0.57)
House	100 (51.55)	130 (57.02)	18 (78.26)	39 (47.56)	287 (54.46)
Furniture	54 (27.84)	35 (15.35)	4 (17.39)	15 (18.29)	108 (20.49)
Farm	9 (4.64)	46 (20.18)	1 (4.35)	10 (12.2)	66 (12.52)
Further education	2 (1.03)	5 (2.19)	0	7 (8.54)	14 (2.66)
Car	11 (5.67)	5 (2.19)	0	5 (6.1)	21 (3.98)
Bike	6 (3.09)	0 (0)	0	2 (2.44)	8 (1.52)
Bicycle	10 (5.15)	3 (1.32)	0	2 (2.44)	15 (2.85)
more business	1 (0.52)	2 (0.88)	0	0	3 (0.57)
Others	1 (0.52)	0	0	1 (1.22)	2 (0.38)
Financial perception					

Strongly improved	73 (36.5)	36 (16.07)	10 (43.48)	22 (26.51)	141 (26.6)
Slightly improved	113 (56.5)	135 (60.27)	5 (21.74)	38 (45.78)	291 (54.91)
Remain the same	8 (4)	12 (5.36)	6 (26.09)	12 (14.46)	38 (7.17)
Slightly deteriorated	4 (2)	30 (13.39)	1 (4.35)	0	35 (6.6)
Strongly deteriorated	2 (1)	11 (4.91)	1 (4.35)	11 (13.25)	25 (4.72)

Source: Authors' Computation from Stata 16 package

Percentages in parentheses

The results in Table 3 show that since the intervention some notable changes have taken place among the beneficiaries in terms of savings and assets. In the pooled data, all the beneficiaries can now consume and save part of their income. However, the distribution of the beneficiaries' level of savings varies from one programme to the other. Four levels of savings were retained in the distribution savings and it was found in the pooled data that, about 75 percent of the beneficiaries' level of savings varied between N1, 000 –N10, 000 per week; the second largest proportion (19.96%) of beneficiaries' savings' level varied between N11, 000-N20, 000 per week while less than 1 percent was able to save over N30, 000 on a weekly basis. Across the public private partnership programmes, most of the beneficiaries' savings were within N1, 000- N10, 000 weekly. Public Hospital programme had the highest percentage of beneficiaries having savings between N11, 000-N20, 000 weekly while none of the beneficiaries in Private School programme could save over N30, 000 on a weekly basis.

Prior to the PPP, a survey was conducted to assess the wealth status of the targeted beneficiaries. It was observed that the majority was unemployed and could barely afford a balanced food diet daily. However, during the PPP, the majority of targeted beneficiaries were empowered with training and capital both in cash and in facilities especially in PRS and PRH programmes while some beneficiaries exclusively received other benefits.

The beneficiaries were also able to acquire a number of assets such lands, houses, furniture, farms, education, cars, bikes, bicycles, shops, etc. Broadly, the three most important assets acquired by the beneficiaries were houses (54.46%), furniture (20.49%) and farms (12.52%) while the least acquired assets were lands (1.52%), bikes (0.57%) and shops (0.57%). The assets' acquisition varied across programmes: in PUS programme, the most important assets acquired were houses (51.55%), furniture (27.84%) and cars (5.67%); in Public Hospital programme, the most important assets acquired were houses (57.02%), farm (20.18%) and furniture (15.35%); in Private School programme, only three assets were acquired namely, houses (78.26%), furniture (17.29%) and farm (4.35%); in PRH programme, the most important assets acquired were houses (47.56%), furniture (18.29%) and farms (12.2%). The beneficiaries' perception of their socio-economic status since they

benefited from the programme is quite informative in the terms of the socio-economic status of individual in Yobe State, and the impact of the public and private health and education services providers. Overall, the beneficiaries had a positive perception in terms of improvement in their socio-economic status since they benefited from the programme. This is evident from the data as over 80 percent of the respondents stated that their socio-economic status has strongly or slightly improved. Across the four public and private health and education services providers, it was observed that at least 65 percent agreed that their socio-economic status has improved since they benefited from their respective programmes. However, the perception varied substantially within and without the four programmes. For instance, in Public School, while the majority (56.5%) of the beneficiary agreed their socio-economic status has improved at various levels, only 3 percent disagree while the remaining 4 percent perceived that there was no change in their socio-economic status since they benefited from the programme. But it can also be noted that while Public School's beneficiaries had the highest percentage of beneficiaries who agreed that their socio-economic status has improved, Public Hospital's beneficiaries had the highest percentage of beneficiaries who agreed that their socio-economic status has deteriorated since they benefited from the programme.

Impact of public and private health and education services providers on socio-economic status of individual in Yobe State proxy by perceived socio-economic status

Table 4: Maximum likelihood estimates of the generalized partial odds model for the impact of public and private health and education services providers on socio-economic status of individual in Yobe State proxy by socio-economic status

Variable	Socio-economic status			
	Deteriorated		Constant	
	Coefficient	Odds	Coefficient	Odds
Public Hospital (x_1)	0.91*	2.5*	0.53	2.5*
	(0.53)	(1.32)	(0.95)	(1.32)
Public School (x_2)	2.24***	6.83***	-0.03	6.83***
	(0.69)	(4.6)	(1.24)	(4.6)
Private Hospital (x_3)	1.19***	2.92***	0.47	2.92***
	(0.43)	(1.22)	(0.64)	(1.22)
Private School (x_4)	0.3	1.31	-0.41	1.31
	(0.5)	(0.64)	(0.98)	(0.64)
Age (x_5)	0.23	1.16	-1.07**	0.39***
	(0.35)	(0.38)	(0.46)	(0.14)
Married (x_6)	-1.07***	0.35***	-0.6	0.35***

	(0.29)	(0.1)	(0.44)	(0.1)
Occupation (x_7)	2.24***	9.41***	1.96***	9.41***
	(0.32)	(2.86)	(0.4)	(2.86)
Male (x_8)	-0.07	0.93	0.64	2.05*
	(0.3)	0.27	(0.41)	(0.76)
Location (x_9)	-1.18***	0.3***	-1.21***	0.3***
	(0.29)	(0.08)	(0.4)	(0.08)
Family Income (x_{10})	-0.03	1.06	0.95	1.06
	(0.5)	(0.52)	(0.86)	(0.52)
Education (x_{11})	-0.07	1	0.91**	2.1**
	(0.3)	(0.29)	(0.41)	(0.75)
Constant	-1.78	0.17**	-2.92***	0.06***
	(0.77)	(0.13)	(1.04)	(0.05)
Wald test	115.27***			
Pseudo R ²	0.26			

Source: Author's Computation from Stata 16 package

The results in Table 4 present the maximum likelihood estimates of the Gologit model for the impact of PPP. It is important to note that only age and male were not constrained to the PLA based on previous findings. This implies that other variables in the model are to be interpreted as though they were in an Ologit model. Overall, the model was statistically significant at 1 percent level of probability based on the Wald test estimate of 115.27. This implies that all the independent variables in the model were jointly important in explaining variation in the beneficiaries' perception of their socio-economic status since they benefited from the PPP.

The Pseudo R² is 0.26 which implies that the model had the ability to predict 26 percent of the observed outcome correctly. Individually, only the gender of the beneficiaries and their family income were not statistically significant determinants of the perception of socio-economic status. A positive coefficient implies that a change from 0 to 1 given the binary nature of the independent variables in the model implies that there is a positive likelihood to observe a higher alternative while a negative sign means that there is positive likelihood to observe a lower alternative.

The positive and significant coefficients of all the PPPs in the model shows that the beneficiaries of the four PPPs were more supportive of the opinion of improvement in socio-economic status but with varying impact across in Public School, Public Hospital, Private School and Private Hospital in the

PPPs. Specifically, the Private School- PPPs had the greatest impact in moving the beneficiaries from the perception of deteriorated socio-economic status to the perception of either constant or improved socio-economic status since they benefited from their respective PPPs followed by Private Hospitals of the PPPs. The positive coefficients of all the PPPs also show that Public School-PPP had the smallest impact in moving the beneficiaries from their perception of deteriorated socio-economic status to the perception of either constant or improved socio-economic status since they benefited from the public and private health and education services providers.

5. Conclusion

From the analysis of the data collected for this study, the following conclusions can be drawn: When the socio-economic status of the respondents is examined, the study reveals that the dominant ethnic group among the beneficiaries are Hausa's accounting for about 50% and Huasa-Fulani is accounting for about 43%. The Fulani's and other minorities are relatively insignificant beneficiaries accounting for less than 7%. Most (63%) of the respondent beneficiaries are married while the singles account for 30% and the rest shared between widows (ers). In terms of educational Status, less than 16% of the respondents have exceeded the Diploma /NCE level. A majority of the respondents have attained the Diploma/NCE certificate but have not proceeded to the level of university degree.

As it patterns to the wellbeing of the beneficiaries, access to credit, primary level education, marital status, (unmarried), and complimentary business activities exert a positive impact on socio-economic status of individual in Yobe State. This suggests that to reduce poverty and empower the population economically, for an improved wellbeing, attention should be given to these factors as they can positively drive socio-economic status of individual in Yobe State. Thus, these listed factors could be used to improve the overall wellbeing of people in Yobe State.

The results on PPP sustainability reveal that 94.26% of the respondents indicate willingness to continue with the PPP, for the basic fact that the business is their source of livelihood. As such the respondents are ready and willing to increase their attention to the business in order to ensure its success. Thus, it is clear at this point that the public private partnership activities in focus, significantly impact on beneficiaries' socio-economic status in Yobe State.

It was with these expectations that the PPP were launched in order to generate more quality service delivery and access to all concerned individuals, thereby increasing socio-economic status of individual in Yobe State among the beneficiaries of the project. The impact of Public Schools, Public Hospitals, Private Schools and PRH on socio-economic status of individuals in Yobe State is significantly positive among the beneficiaries through improvements in assets, savings and socio-economic status. Moreover, the beneficiaries' socio-economic status of individual in Yobe State programs are sustainable through their willingness to continue their businesses while education is the

main driver of business success.

With respect to key success factors, among all the variables used only primary level of education, access to credit and marital status (unmarried), exert a positive impact on socio-economic status of individual in Yobe State. Glaringly, success in business in Yobe Metropolis is not based on any specific factors but on respondent's personal acumen and responses to the business need. This implies that irrespective of the background of the respondent, he/she can succeed in business provided the required attention is paid to the business.

This study can be concluded by asserting that based on the empirical results generated from the data it is evident that the various public and private health and education services providers initiated by the Yobe state government to create wealth for its citizens and reduce poverty in the State are significant. In order words, the PPPs have a significant impact in creating wealth and in reducing poverty in State.

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IMPACT OF INTERNATIONAL AGENCIES' INTERVENTION ON MALARIA ERADICATION IN NIGERIA FROM 2008-2018

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ABSTRACTS

Health interventions addressing the challenge of Malaria have been recorded in Nigeria for more than three decades now without corresponding results to the degree of humanitarian, material and financial commitment to this course. Paradoxically, over the years, there has been increase in the alarming effect of Malaria side by side with the growth in efforts between the foreign donors, investors, agencies or partners with the rise in Malaria impact on the country. It is in response to this that this investigates the impact of International agencies' Intervention on malaria eradication in Nigeria from 2008-2018 with the goal of identifying the ways, methods and strategies through which international agencies have been intervening in malaria eradication programmes in Nigeria and the corresponding impact. The quantitative Survey method was adopted for the study. Data was collected from 240 staff members of 12 Malaria concerned agencies in Nigeria. From the analysis, the study revealed that the agencies have been intervening in Malaria eradication through provision of building for health service providers, national database management of malaria, sentinel malaria surveillance, provision of antimalarial commodities, all inclusive intervention coordination, supply of anti-malarial medicines, social advocacy for behavioral, local and global anti-malarial campaigns, propagation, solicitation and agitation for malaria elimination in Nigeria. Likewise, the impacts of international agencies intervention on malaria eradication in Nigeria has witnessed progressive decrease in the malaria cases in the country through support for the government, funding of antimalarial campaigns, pro-active responses to Malaria outbreaks, supply of anti-malarial products and supply chains, impactful in aspect of advocacy, communication and social mobilization and inquisitive and observant in surveillance, monitoring & evaluation of malaria related issues in the country. The study therefore recommends among other things policy review on the role of both government and foreign international agencies in health interventions with government taking the driver seat in such partnership.

Keywords: Assessment, Impact, International Agencies' Intervention, Malaria, Eradication,

Background to the Study

Globally, malaria constitutes one of the biggest challenges to public health with an estimated figure of 3.4 billion persons in more than 92 countries which is caused by exposure to *Plasmodium falciparum* or mosquitoes *Anopheles funestus*, *gambiae*, *moucheti* or *arabiensis*. As recorded by the World Malaria Report (2018), there were 219million cases of malaria globally and 435000 deaths cases to malaria in 2017. Shockingly, just 15 nations in Sub-Sahara Africa with India constitute 80% of the world malaria record. Out of these 15 nations, 5 account for almost half of all malaria cases globally which Nigeria happens to be the leading nation with 25% of the total cases, Democratic Republic of Congo with 11%, Mozambique with 5%, and India with 4% and Uganda with 4% (WHO, 2018).

In Nigeria, malaria is labeled an endemic ailment with available records showing that every year, about half of the populace experiences at least one episode of malaria sickness, especially among children below the age 5 years. It has likewise been discovered that more than 300,000 persons die every annually of malaria. Meanwhile, less than 60% of the patients visit health centres. Therefore, from the above report, malaria comprises a substantial weight of burden on Nigeria's families, communities, health institute and government (Federal Ministry of Health, 2016).

As it stands, Nigeria is the world's most affected nation with malaria fever, with about 51 million cases as well as 207,000 death rate (around 30% of the total malaria cases in Africa). This staggering malady influences the nation's financial efficiency, summing to an amount of N132billion in treatment costs, counteraction, and other expenses. Geographically, the location of Nigeria (between 4° and 13° Northern Latitude) makes her highly susceptible to malaria vectors exception the Southern part of Jos in Plateau State in which some mountain peaks are recorded to reach 1600m with altitude of settlements at between 1200m -1400m. The country's ecological are dominated with seasonality and intensity of malaria transmission. This makes the entire country highly supportive of the breeding of anopheles mosquitoes which are malaria parasite carrier (Federal Ministry of Health, 2016; Dawaki et al, 2018).

In response to this long age health challenge, malaria control intervention is historically the oldest control intervention in Nigeria which have been in existence since the year 1948 seeking to reduce the spread of malaria to the barest minimum level in the country. Disappointedly, despite the intervention of foreign donor agencies to complement the effort of the government towards the general health development and specifically fight against malaria, the nation still remains backward with majority of the population still offering from the disease. Based on this, this study assesses the impact of international agencies' intervention on malaria eradication in Nigeria from 2008-2018.

Statement of the Problem

Despite the long aged collaboration between the Nigerian government and foreign agencies interventions in the fight against malaria, the country still continue to loose significant portion of her

citizens and resources to this dreadful ailment, especially her female population and children below the age of five. For over a decade, there have been series of health concerns and interventions by foreign health and humanitarian agencies, however, the cases and issues of malaria seem not to be corresponding with the level of efforts between the foreign donors, investors, agencies or partners with the magnitude in rise of Malaria cases in the country. According to WHO (2020), out of 19 countries in sub-Saharan Africa with Malaria burden, six account for more than half with Nigeria accounting for 25%. Out of the 10 nations in Africa with the highest malaria burden Ghana and Nigeria are reported to be leading. It is not out of place to ask if foreign intervention and their aid have any significant influence or impact on the on malaria eradication in Nigeria. More worrisome is the fact that about 85% of global malaria deaths were more experienced in 20 countries in which Nigeria accounted for 24% of all global malaria deaths (54%) of total cases (WHO, 2020). This therefore calls for intellectual and interrogative attention regarding the success and failure of such programmes in Nigeria. Therefore, a study of this nature is significant in finding the impact of international agencies' intervention on malaria eradication in Nigeria.

Objectives of the Study

The aim of this study is to assess Impact of International agencies' Intervention on malaria eradication in Nigeria from 2008-2018 with the specific objectives as follows:

- i. To ascertain ways, methods and strategies through which international agencies have been intervening in malaria eradication programmes in Nigeria from 2008 to 2018.
- ii. To examine the impact of international agencies intervention on malaria eradication in Nigeria from 2008 to 2018.

Research Questions

The following questions with guide the study:

- i. What are the ways, methods and strategies through which international agencies have been intervening in malaria eradication programmes in Nigeria from 2008 to 2018?
- ii. What are the impacts of international agencies intervention on malaria eradication in Nigeria from 2008 to 2018?

Scope of the Study

By focus, this study assesses impact of international agencies' intervention on malaria eradication in Nigeria from 2008-2018. Meanwhile, by duration, it covers the period of 10 years (from 2008-2018). This period is therefore pertinent in unraveling the complexities surrounding international agencies intervention on malaria eradication in Nigeria as well as examines their impact over the

decade with the health sector.

Overview of Malaria Intervention in Nigeria

According to Elden, Harvey, Cadge, Mulligan & Fajber, (2010), the term interventions is commonly utilized in the streaming of assets from the developed to the developing region or places. Malaria control intervention is historically one of the oldest control interventions in Nigeria which have been in existence since the year 1948 seeking to reduce the transmission of malaria to the lowest possible level in the various ecological zone of the country. As a cardinal goal of the Millennium Development Goals, the World Health Assembly (WHA) established a goal reducing malaria cases as well as its mortality rate by 75% between 2005 through 2015. Thus, from the last decade, there has been a re-established enthusiasm in the improvement of control measures in eradicating malaria. Subsequently, somewhere in the range of 2000 through 2013, the occurrence paces of malaria sickness fell by 30% all inclusive as well as 34% in Africa (Obol, Lagoro & Garimoi, 2011).

Recent investigations and researches in to the economic issues related to the fight against malaria have demonstrated that in spite of the fact that there are equivalent introduction and incidence of malaria across the socio-economic groups, the expenses of treating Malaria cases fluctuate among various socio-economic status (SES) gatherings and geological areas as well as that methods for treating malaria cases were consistently by cash based installments. These economic challenge has been demonstrated to be proportionately higher in poor family units contrasted with their income and are disastrous to poorer families and to rural inhabitants (Uzochukwu, Ughasoro, Etiaba, Okwuosa, Envuladu & Onwujekwe, 2020).

Malaria is a principal public health challenge in most countries of Africa and one of the major causes of death, particularly among children and pregnant women. Malaria inflicts significant percentage of the populace and demands a significant economic burden on Africa. Globally, the continent is recorded with the greatest cases of malaria cases in the world (Chukwuocha, 2017). According to World Health organization –WHO (2020), a typical household on the African soil loses between \$2 and \$25 on treatment of malaria and between \$15 and \$20 on its prevention (Uzochukwu, et al, 2020). As submitted by Patti (2015), numerically Africa accounts for 60 percent of the world's 350–500 million malaria cases.

Malaria death rate is highly unprecedented, records show that it kills one child in every 30 seconds, about 3000 children every day, at least over a million people die of malaria every year (WHO Report, 2018). Of all these, Nigeria and Democratic Republic of Congo took a lead with 84 million cases representing about 54% of the total cases in 10 Sub-Sahara leading countries in Africa (World Malaria Report, 2019). In spite of the fact that the weight of malaria adds to the unexpected weakness status of the populace, the procedures to control it cannot be found in seclusion however are solidly in the public endeavors to ensure its minimization and improve health.

According to Abdulla, Schellenberg & Nathan (2001), the human and economic burden of malaria through medications, hospitalizations and different occasions identified with malaria sickness are

enormous and frequently lead to loss of income and finance of individuals. Malaria sickness is considered as a general medical issue as well as an obstacle to the financial development of a nation. The amount spent on malaria fever as far as prevention, treatment and loss of profitability can include a huge segment of the yearly income of family units, especially the poor ones. From the position of Chico & Chandramohan (2011), in Nigeria, malaria has been disclosed to account for about 40% of the sum of all month to month curative health issues faced by families contrasted with a mix of different ailments. The expense of treating malaria fever and different diseases fatigued 7.03% of the monthly family income, and treatment of malaria cases alone contributed 2.91% of these expenses. Family spending on malaria can be classified into consumption on Prevention and treatment. Individual or family unit direct expenses on malaria treatment incorporate direct instalment of medications, conference, research centre tests, transportation charges to and from the office while the background cost is the beneficial time lost because of malaria sickness.

In recent time, there has been increase in malaria intervention at both local and international level and this includes major global actors such as the United Nation, World Health Organisation, World Bank, Global Malaria Control Intervention, Malaria Consortium, and The President Malaria Initiative among others. In the Malaria Declaration of 2000 at Abuja, the Nigerian Capital, African leaders reassured their relentless commitment to reducing malaria mortality by half in the year 2010. These intervention and initiatives led to an increase in attention as well as fund release to combat the spread of Malaria.

Since the Roll Back Malaria Initiative in the country, its control has witnessed an upsurge that brought about accomplishment of a bit of fulfillment which serves as a way for fast scaling up of corporation. These incorporate the foundation of the Roll Back Malaria association by the World Health Organization (WHO) and the Global Fund to battle AIDS, Tuberculosis and Malaria (GFATM).

The most broadly utilized technique for malaria control is the treatment of symptomatic cases with antimalarial drugs. Individuals look for treatment from a wide scope of sources, remembering present day health suppliers for people in general, nongovernmental association (NGO), traditional healers, drug stores, shops and markets. Regularly, treatment is looked for "fever", a manifestation that people partner intimately with malaria sickness (Ajakaiye & Adeyeye, 2001). They (Ajakaiye & Adeyeye) posit that drug regimens fluctuate provincially, and rely principally upon the parasite species, the example of antimalarial treatment opposition and the accessibility of indicative and follow-up treatments. The blend of formal medication or treatment to simple malaria fever changes extraordinarily over the world as far as the kind of office, the capabilities of staff and the administrations advertised. In sub-Saharan Africa, treatment for straightforward instances of malaria sickness is given by clinics and dispensaries

Methods of Data Collection and Analysis

The study employs survey method. The survey method according to Osuale (2001), “studies both large and chosen from the population to discover relative incidence, distribution and interrelated variables”. The population of this study includes all foreign Government and Non-governmental Agencies involved in the control of Malaria in Nigeria. According to the progress & impact series country reports (2019; 56) on the National Malaria Control Programme by the Federal Ministry of Health, the foreign and international agencies in partnership with the Ministry of Health for the eradication of Malaria in Nigeria have a total population of twenty five (25).

The sample for this study was drawn from twelve (12) agencies carefully selected on the basis of their roles and responsibilities with regards to malaria intervention in Nigeria. Thus, a total of two hundred and forty (240) respondents (twenty officers from each agencies) were selected from each of the following organizations. Questionnaire was used for data gathering of this study which respondents' responses were analysed using frequency count, simple percentages and tables and mean score. The data analysis was divided into two parts. The first parts presented the demographic data of the respondents while the second part was based on response gotten from the administered copies of questionnaire. Using the four point scale, the following real limits of numbers were used for analyzing the research questions. Here, Mean Score between 4.00 - 2.50 = Accepted and 2.49 -1.0 = Rejected.

Data Presentation and Analysis

Therefore, the findings are according to the areas of focus and their corresponding indicators.

Table 1: Ways, Methods and Strategies through which International agencies have been intervening in Malaria Eradication Interventions in Nigeria from 2008 to 2018
n=202

S/N	Statements	SA (x4)		A(x3)		D(x2)		SD (x1)		Mean Score	Decision
		N	%	N	%	N	x%	N	%		
1.	Through capacity building for health service providers (formal & informal) on malaria prevention, case management and record keeping.	64	31.7	88	43.6	28	13.9	22	10.9	2.96	Accepted

2.	Through support for establishment and maintenance of national database for tracking malaria related cases in formal health facilities.	63	31.2	72	35.6	44	21.8	23	11.4	2.87	Accepted
3.	Through support for sentinel malaria surveillance across the geo-political zones in Nigeria.	71	35.1	86	42.6	32	15.8	13	6.4	3.06	Accepted
4.	Through the provision of antimalarial commodities such as LLINs, ACTs; SPs; mRDTs etc.	78	38.6	62	30.7	41	20.3	21	10.4	2.98	Accepted
5	Through the coordination of malaria Intervention implementation at all levels – national, states, LGAs and communities.	65	32.2	73	36.1	36	17.8	28	13.9	2.87	Accepted
6	Through entomological (real life) studies for better understanding of malaria vector behaviors to inform vector control interventions.	13	6.4	32	15.8	74	36.6	83	41.1	1.88	Rejected
7	Through procurement and supply chain of malaria related medicines, devices and diagnostic tools and equipment.	81	40.1	74	36.6	33	16.3	14	6.9	3.10	Accepted
8	Through quality assurance monitoring for malaria related commodities and services.	37	18.3	24	11.9	76	37.6	65	32.2	2.16	Rejected
9	Through Social Behavior Change (SBC) support for increased grassroots awareness, acceptance and demand for available malaria related interventions and services.	82	40.6	83	41.1	26	12.6	11	5.4	3.17	Accepted
10	By mass campaigns for certain related malaria interventions e.g. SMC, Mass ITN distribution campaigns etc.	101	50.0	64	31.7	24	11.9	13	6.4	3.25	Accepted
11	Through global propagation, solicitation and agitation for support from other International organizations for the support of malaria elimination in the country.	93	46.0	67	33.2	27	13.4	15	7.4	3.18	Accepted
Sectional Mean Score = 2.86											

Source: Field Survey, 2020

It can be ascertained from the table that international agencies have been intervening in Malaria Eradication Interventions in Nigeria through provision of building for health service providers, national database management of malaria, sentinel malaria surveillance, provision of antimalarial commodities, all inclusive Intervention coordination, supply of ant-malarial medicines, social advocacy for behavioral, local and global anti-malarial campaigns, propagation, solicitation and agitation for malaria elimination in Nigeria.

Table 2 : The impacts of international agencies intervention on malaria eradication in Nigeria from 2008 to 2018
n=202

S/N	Statements	SA (x4)		A(x3)		D(x2)		SD (x1)		Mean Score	Decision
		N	%	N	%	N	%	N	%		
1.	There has been progressive decrease in the malaria prevalence rate in Nigeria between 2008 to 2020 as evidence of Interventions agencies intervention in malaria cases in the country.	64	31.7	44	21.8	53	26.2	41	20.3	2.65	Accepted
2.	International agencies interventions give a push -up to government efforts and commitment to achieving the goal of malaria elimination in the country.	76	37.6	68	33.7	39	19.3	19	9.4	3.00	Accepted
3.	International agencies contribute significantly to the funding of antimalarial related campaigns and control in the country.	62	30.7	82	40.6	41	20.3	17	8.4	2.94	Accepted
4.	International agencies interventions have had serious impact in the area of Vector management and control over the years.	37	18.3	33	16.3	60	29.7	72	35.6	2.17	Rejected
5	International agencies have been very pro-active in responding to emergencies and epidemic areas of Malaria outbreaks.	85	42.1	56	27.7	39	19.3	22	10.9	3.01	Accepted
6	International agencies have been highly supportive in the aspect of diagnosis and treatment of Malaria cases in the country.	35	17.3	36	17.8	67	33.2	64	31.7	2.21	Rejected
7	There have also been records of supply of products and supply chains by International agencies of medical and relief materials for victims of Malaria cases in Nigeria.	81	40.1	76	37.6	31	15.3	14	6.9	3.11	Accepted
8	International agencies have been very impactful in aspect of advocacy, communication and social mobilization and Intervention management in the fight against Malaria.	85	42.1	58	28.7	32	15.8	27	13.4	3.00	Accepted
9	International agencies have also been very inquisitive and observant in Surveillance, Monitoring & Evaluation of	71	35.1	59	29.2	37	18.3	35	17.3	2.82	Accepted

It can be seen from the table that the impacts of international agencies intervention on malaria eradication in Nigeria has led to gradual decrease in the malaria prevalence rate in Nigeria through give a push-up to government, funding of antimalarial campaigns, pro-active responses to Malaria outbreaks, supply of anti-malarial products and supply chains, impactful in aspect of advocacy, communication and social mobilization and inquisitive and observant in surveillance, monitoring & evaluation of malaria related issues and cases in the country.

Discussion of Findings

The result in line with first objective revealed that to identify the ways, methods and strategies through which international agencies have been intervening in malaria eradication interventions in Nigeria from 2008 to 2018, the study revealed that there was significant level of intervention by international agencies on Malaria Eradication interventions in Nigeria from 2008 to 2018. These were carried out through provision of building for health service providers, national database management of malaria, sentinel malaria surveillance, provision of antimalarial commodities, all inclusive intervention coordination, supply of ant-malarial medicines, social advocacy for behavioral, local and global anti-malarial campaigns, propagation, solicitation and agitation for malaria elimination in Nigeria. This finding agrees with Allwood (2012) who said that foreign intervention is characterized as a transmission of genuine material and immaterial resources from one nation to another and the position of Todaro (2016) that foreign international agencies interventions incorporate supports and concessional advances, in money or in kind, that are extensively planned for moving resources from one nation or institution to another countries on improvement grounds. This study equally supports the finding and submission of Nnebue, Onwasigwe, Ibeh and Adogu (2013) and WHO, (2016) that the interventions of foreign international agencies in the fight against malaria has been through the provision of infrastructures, medical/supporting technologies and demonstrating pilot projects, facilitate advocacy for acceptance and goodwill as well as initiating development centered communication system between health personnel and beneficiaries, provision of technical assistance and providing guidance for research, monitoring, evaluating and reviewing the Nigerian Malaria control strategies to ensure significant level of success in the fight against Malaria towards the target of 2025 and 2030.

In response to second objective of the study which was aimed at finding out the impact of international agencies intervention on malaria eradication in Nigeria, it was ascertained that there has been progressive decrease in the malaria prevalence rate in Nigeria through give a push-up to government, funding of antimalarial campaigns, pro-active responses to Malaria outbreaks, supply of anti-malarial products and supply chains, impactful in aspect of advocacy, communication and social mobilization and inquisitive and observant in surveillance, monitoring & evaluation of

malaria related issues and cases in the country. This finding aligns with the earlier position of Morrissey (2001) who in his investigation on the effect of international intervention on receiving nations submits that international interventions have positive effect on development of third world nations through increment of venture and increment of the ability to brings innovation through contribution, mediation and provision of funds to help builds system efficiency and advances general development. Equally, it also agrees with Papanek (1973) who revealed that foreign international agencies intervention have significantly prominent impact on development as well as Ansah (2001)'s position who argued that there is a significant positive relationship between international agencies intervention donor and economic growth of receiving nations. Also, in the light of foreign international agencies as the non-state state actors and partners in development process, this study agrees with declaration of Asamoah-Baah & Mills (2007) that the agencies seek the means and channel to improve the general government efforts and assist nations in need.

Conclusion and Recommendation

Based on the findings of this study, it is concluded that international or foreign agencies have been intervening in malaria eradication pursuit in Nigeria through the collaborative effort of the agencies and the government. There have been sentinel malaria surveillance, provision of antimalarial commodities, intervention coordination, supply of ant-malarial medicines, social advocacy for behavioral, local and global anti-malarial campaigns, propagation, solicitation and agitation for malaria elimination in Nigeria. Likewise, the impacts of international agencies intervention has to an average level led to the decrease in the malaria prevalence in Nigeria through collaborative effort with the government over the span of the past decade. In all, it is seen empirically that the impact of foreign international agencies intervention in the prevention, treatment and control of Malaria in Nigeria cannot be overemphasized. Based on the findings of this study, this study recommends that there should be policy review on the role of both government and **foreign international agencies in health interventions with government taking the driver seat in such partnership. Likewise, there should be an institution of special agencies to address the needs, strategies and challenges of foreign international agencies in their quests to intervene in health issues in the country. Finally,** there should be prioritization and provision of local funding for health sectors by the government. It is believed that this with assist in the improvement of the standard of primary health care which is the direct attendants to malaria issues.

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IMPACT OF PRIVATE SECTOR INVESTMENTS ON NIGERIA ECONOMY: 1986-2020

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ABSTRACT

The study examined the effect of private sector investment on economic growth in Nigeria for the period, 1986-2020. The data for the study were sourced from World Development Indicators (WDI) and the Central Bank of Nigeria (CBN) Statistical bulletin. The observed mixed order of integration during unit root test justified the use of Autoregressive Distributed Lag (ARDL) model for the analysis. Findings from the long and short run regression estimate of the ARDL model showed that; t-statistics of the Private Sector credit is significant while that of Foreign Direct Investment, Foreign Private Investment and Lending Interest rate were insignificant. This led to the conclusion that Private Sector Credit significantly increases GDP, while Foreign Direct Investment, Foreign Portfolio Investment and Lending Interest Rate do not. The bound test for Co-integration showed that the relationship is sustained in the long run and therefore led to the rejection of null hypothesis of no level relationship in the model. The Error Correction Coefficient (ECM) $CointEq(-1) -0.47048$, showed that the model corrects its previous periods of disequilibrium at a speed of 47% estimated annually. The study recommend that the government should formulate policies that would encourage private sector investment, enhance saving, stabilize interest rate to improve the confidence of the foreign investors in the economy, as this would lead to sustainable economic growth in Nigeria.

Keywords: Private sector, Investments, Economic growth, World Development Indicator, Autoregressive Distributed lag

INTRODUCTION

Investment is the major factor that determines the economic progress of both developed and developing economies. Economies of the world require substantial investment in promoting and enhancing economic activities that guarantee condition of living among citizens. In recent times, the debate on the investment growth nexus have continued to hit the polity following the need for developing economies to queue up with the trend of events in the developed countries. For any meaningful investment to evolve, savings must to be encouraged. Savings in Nigerian economy fluctuated over the study period. However, savings habit in the Nigeria fell from 33.7% in 1987 to

6.9% in 1997. It dropped by 59% in 2007 and later rose to 52% in 2012 (Egbetunde and Fadeyibi, 2015).

Over the years, the emphasis appears to have been on the accumulation of physical capital to the neglect of investment in education, health and skills (human capital) or technical progress. This idea has diverted many parts of society's available resources towards increasing the stock of capital goods so as to make possible an expansion of consumable output in the future. Moreover, it has been mentioned that the solution to the vicious circle of poverty on the demand side of the economy is an equal supply-side strategy of balanced growth (Egbetunde and Fadeyibi, 2015).

However, Finance Corporations (IFC) (2011) equally asserted that the private sector is a critical component in addressing the development challenges of the developing countries through its contributions in many areas, including growth, employment, poverty reduction, service delivery, food security, climate change mitigation, environmental sustainability, and contributions to taxes. This means that the presence of the private sector can at least spur economic growth and poverty reduction. This is why the Central Bank of Nigeria (CBN) recognizes that for the economy to function efficiently given structural rigidities, and for the private sector to develop and flourish, businesses need to have access to credit.

Again, an efficient private sector investment is of paramount importance to economic growth, and the strength of most private businesses relies on the availability of finance provided within the economy by financial institutions to facilitate transactions, likewise the rate of interest given for access to credits by these financial institutions. It is on this premise that this research tend to assess the effect of private sector credit and investment on economic growth in Nigeria.

This study is set to investigate the effect of private sector investment on economic growth in Nigeria.

LITERATURE REVIEW

Concept of investment

Keynes, (2007), in Nwanne (2014), defined investment as the production of new capital, goods, plants, services and equipment. The study also referred investment as real investment and not financial investment. However, from economic point of view, investment is the net addition to the economy's capital stock which consist of goods and services that are used in the production of other services, new construction of plants and machines, investments etc. in this regard, investment is spending meant to increase or maintain the stock of capital. The stock of capital consists of the factories, machines, offices and other durable products used in the process of production. Financial investment according to Nwanne (2014) is a conscious act an individual or any entity that involves deployment of funds in securities or assets issued by financial institution with a view to obtaining the target returns over a period of time. In other words, it involves the commitment of a person's funds to derive future returns in the form of income. Dividend premium, pension benefit or appreciation in the value of their capital, example, purchasing of shares, debentures, insurance policies etc are all investments in the financial sense and such investment generates financial assets.

In economics, investment is the purchase of goods that are not consumed today, but are used in the future to create wealth. That is, it is the net increase in the existing stock of real capital assets such as machinery, building, plant and equipment. It also includes the increase that takes place in inventories (Kalra, 2007). In finance, investment connotes purchase of financial securities like shares, bonds, debentures etc and financial derivatives like options, futures and the likes. Whichever way, investment is long term in nature and it has an opportunity cost.

Private sector investment

Private sector refers to that part of the economy that is in private hands whose activities are under the control and direction of individuals or corporate individuals. In this private sector, private and corporate individuals own and control the means and factors of production. Conceptually, private sector investments are known as private investment. It is a form of investment that is profit oriented or profit elastic. Here, investors (individuals and corporate individuals) are motivated and influence by marginal efficiency of capital that is profit expectations and the rate of interest. Private sector investment (foreign or local) could be in form of private domestic investments and foreign private investment (foreign direct investment and foreign portfolio investment). Foreign Direct Investment, FDI for short entails investment from one country into another, normally by companies rather than government. It involves establishing operations or acquiring tangible assets, including stakes in business in other countries, while foreign portfolio investment involves the purchase of one country's securities by nationals of another country. Udo, (2016), observed that private investment is generally conceptualized in terms of physical capital formation. The study noted that private investment in physical capital, usually are undertaken by firms and individuals to accumulate, overtime, real capital goods, which yield a future flow of goods and services.

Private sector investments in Nigeria

According to Udo (2016), Nigerian economy is often described as a mixed economy. A mixed economy connotes a frame work in which allocative mechanism in respect of what is to be saved, invested, produced and at what prices, is left to the forces of the market and not to any planning authority or government. The existence of the state is merely to buttress the mechanism and improve its efficiency (Aromoloran, 1998). It means that in a mixed economy, private sector should play the leading role while the public sector provides the enabling economic environment. According to Ekpo (2014), conducive economic environment could be created by government through the formulation and implementation of appropriate, effective and sound macroeconomic policies and programmes which, among other things, will facilitates the availability of required resources, stimulate saving an investment, and ensure macroeconomics stability (low inflation rate, exchange rate stability and low interest rate) as well as the provision of adequate infrastructural facilities in the economy.

Concept of economic growth

Economic growth is one of the significant destinations of macroeconomic strategy. It is the crucial means of elevating expectations for living comforts and standards, as well as accomplishing economic development. Economic experts define economic growth from numerous perspectives. A number of economists see that it is a rise in the domestic income or the size of production of goods and services by a country over a specific timeframe. In general economic growth is characterized as an expansion in total national output. Consequently, gross domestic product (GDP) is considered as proxy of economic growth. Todaro and Smith (2006), Defined economic growth as a steady process by which the productive capacity of the economy is increased over time to bring about rising level of national output and income. Jhingan (2006) viewed economic growth as an increase in output. He explained further that it is related to a quantitative sustained increase in the country's per capita income or output accompanied by expansion in its labour force, consumption, capital and volume of trade.

This study elucidated that economic growth is in general referred to as a quantitative alteration in economic variables, normally persevering over successive periods. Todaro and Smith.(2006)

distinct economic growth as a sound process by which the productive volume of the economy is augmented over time to bring about rising levels of national production and income. Jhingan (2006) considers economic growth as rise in output and clarifies further that it is associated to a quantitative sustained rise in the country's per capita income or production escorted by increase in its labor force, consumption, capital and size of trade. The key features of economic growth are great rate of growth of per capita income or, high rate of yield, high rate of structural transformation, international flows of re- sources such as labor, goods and capital (Ochejele, 2007).

Foreign direct investment and foreign portfolio investment

Obviously, Nigerian economy like any other African country is attractive to foreign investment because of relatively high marginal productivity of capital. This is as a result of the relatively low capital development in the country, which enhances the profitability of investment in the economy. This is so because many opportunities for profitable investment are not being explored in contrary to the developed economies with relatively high income and sophisticated market with high capital labour ratio. In these developed markets, the marginal productivity of capital is relatively low, this discourage further investment into the economy because of little amount of profitable investment opportunities. With globalization, the abundant resources in these developed economies are mobilized to developing economies where these resources have potential of profitable opportunities. More so, to sustain the growth of Nigeria economy, policy makers are looking forward to attracting these foreign resources into the economy. For this effort to be meaningful, then the attracted foreign portfolio investment should lead to economic growth.

Empirical studies by Kim J. and Singal (2000), established that increase in the inflow of foreign portfolio investment enhances economic growth. In this case, mobilizing foreign portfolio investment will be an effective instrument at achieving greater economic growth. On the other hand, studies have shown that investors will be interested in the viability of the economy before investing in such economy, in which case, one of the essential factors to attract foreign investor is the growth of the economy among many other factors (Ekeocha, 2008; Duasa and Kassim, 2009 and Narayan, 2013). Therefore, it could then be asserted that the growth of the economy lead to the inflow of foreign portfolio investment. Once there is positive relationship between them, engineering growth to attract foreign investors will have multiplier effect on economic growth of the nation.

Private sector credit and economic growth

Olowofeso *et al.* (2015), defined credit to the private sector as financial resources provided to the private sector, such as loans and advances, purchases of non-equity securities, trade credits and other accounts receivable, which establish a claim for repayment. From this perspective, credit can be viewed from two point view; trade or commercial credit and banking system credit.

The possible positive link between credit market and economic growth is fairly obvious because developed countries, without exception have more developed credit markets. Therefore, it would seem that policies to develop the financial sector would be expected to raise economic growth. Indeed, the role of bank credit is considered important to economic growth and development (Khan and Senhadji, 2000). The literature on financial economics provides support for the argument that countries with efficient credit systems grow faster while inefficient credit systems bear the risk of bank failure (Kasekende, 2008). Moreover, credit institutions intermediate between the surplus and

deficit sectors of the economy. Thus, a better functioning credit system alleviates the external financing constraints that impede credit expansion, and the expansion of firms and industries (Mishkin, 2007)

Theoretical Framework

This study is hinged on the Financial Intermediation Theory and the theory of privatization.

The Neo-classical theory of investment-growth nexus

The Neo-Classical Model of Growth was first devised by Robert Solow, hence it is called the Solow model. The model believes that a sustained increase in capital investment increases the growth rate. The neoclassical theory of investment explains that inducement to invest may also be simulated by favorable changes in relative prices where downward shifts in the real user cost of capital services imply that the firm has to restore equilibrium by cutting down the marginal productivity of capital stock (Jorgensen, 1963). The neo-classical approach to investment is an improvement on the Harrod–Domar formulation. The Harrod – Domar Model (1939, 1946) highlights the importance of determining the rate of investment (S/Y), which is necessary to achieve a certain rate of economic growth. Thus the model will most likely capture the effect of private investment in a real market based economy as Nigeria.

The Theory of privatization

This theory is based on the concept of property rights. Here, Competitive markets, in which transactions are effectively handled by market price, rely heavily on formal, well-defined property rights (Mankiw, 2001). In other words, the lack of property rights limits the amount of goods and services that can be exchanged in the market. Individuals gain an access to credit since they can use their formal titles as collateral for loans, ultimately leading to an increase in investment. Finally, property rights give people an incentive to pursue long-term rather than short term economic goals. In the case of land ownership, individuals who have secure and well-defined ownership will invest in their land instead of continuously acquiring land (Soto, 1996). From these theoretical propositions, it can be seen that investment in the private sector is capable of boosting economic growth over and above the strength of the public sector. This theory proposes that when funds are channeled through the private sector, economies such as that of Nigeria would growth fast and be able to achieve its vision 20:20:20.

Financial intermediation theory

This study was guided by the Financial Intermediation Theory developed by Akerlof (1970), Benston and Smith (1976), and Diamond (1984). The theory of financial intermediation holds that financial institutions (banks, insurance companies, credit associations, pension funds, etc.) whose functions are to accumulate money of citizens and legal entities and then give it to borrowers on commercial conditions to carry out new combinations of productions that lead to economic growth. The financial institutions start the circuit of financial intermediation by intermediating between the deficit and surplus units of the economy. An entrepreneur demands loan to buy labour hours and capital. The study blended these two inputs using his entrepreneurial skills and produces the output. According to Diamond (1984), financial intermediaries are the circuit starters in the economy; they switch on the engine of economic activity in the economy. The structure of modern industry could not have been erected without credit, and in carrying out new combinations, financing as a special act is fundamentally necessary for theory as in practice. The financial intermediation theory, therefore, contemplates a positive effect of credit on economic growth.

Review of empirical studies

Several studies related to the present study have been carried out by different researchers; among these studies are the study of Agnes, Kalu and Kirabo (2019) whose study evaluated the effect of bank credit on economic activity using a developing economy data. The study period ranged from January 2007 to December 2017. Estimates from descriptive statistics show that the economic activity and bank credit series are negatively skewed and peaked, with non-normal distribution. The results generated for the Augmented Dickey unit root test showed that at the level form, all the variables are non-stationary but after first differencing the variables became stationary and integrated of order one (i.e. I(1)). The results obtained from the multiple regression model show that bank credit has a positive and significant effect on economic activity. We, therefore, conclude that bank credit has a predictive influence on economic activity. One of the implications of this conclusion is that banking system regulators should formulate policies that enhance access to credit to the private sector while containing inflation.

Adelegan (2018) examines the dynamic linkages between domestic investment, domestic credit to the private sector and gross domestic product (GDP) in Nigeria over the period of 1970 to 2015. The Vector Autoregressive (VAR) model and its accessories of impulse response functions (IRFs) and variance decomposition composition (VDC) were applied to analyze the annual data. Having confirmed the long run relationship among the specified variables with Johansen co-integration test, the underlying theoretical expectations were used to identify the parameters and shocks of the structural model. On the basis of batteries of tests carried out, empirical findings indicate that the relationship between growth and domestic credit to the private sector is positive and insignificant. Also, our results show that increase in PLR reduces output for the period under study, but this was not statistically significant. In addition, the relationship between PDI and PDI is positive but statistically insignificant. Finally, the negative relationship between exchange rate and private domestic investment suggests that the appreciation of the real exchange rate discourages domestic private investment.

Akinbobola and Ibrahim (2017) employed Wald causality methodology to uncover the direction of causal relationship between foreign portfolio investment and economic growth in Nigeria between 1986 and 2013. The empirical results suggest that foreign portfolio investment and economic growths are positively coin targeted indicating a stable long run equilibrium relationship. Further, the findings revealed bidirectional causality between foreign portfolio investment and economic growth and the complementary role of domestic savings and interest rate in growth.

Nevertheless, Nadeem, Khalil and Muhammad (2016) explored the long and short run effect of interest rate on private sector credit on Pakistan for the period of 1975 to 2011. The stationarity of data was analyzed by Augmented Lag (ARDL) model for the purpose of analyzing long and short term relationship. The results revealed significant negative effect of interest rate on private sector credit in the long run, and also in the short run. The results also indicated significant positive effect of inflation on private sector credit in long and short run. However, exchange rate was found to have no effect on private sector credit.

Emmanuel, Abiola and Anthony (2015), studied the impact of private sector credit on economic growth in Nigeria. The Error Correction Model (ECM) confirmed a positive and statistically significant effect of private sector credit on output. The variables employed included the Real Gross Domestic product (RGDP) as the dependent variable, deposit money banks' credit to private sector (CPSG), GEXP,NER, and PLR as proxies for fiscal, exchange rate and monetary Policies respectively.

Similarly, Emecheta and Ibe (2014) employed the reduced Vector Autoregression approach utilizing data from Nigeria for the time period 1960-2011 to examine the association between banking credit and economic growth. Among some methodological inadequacies, such as his failure to harmonize the different base periods for the real Gross Domestic Product data used and the fact that he ignored the possibility of structural breaks effects in his modeling approach, the study established a significant direct relationship between banking credit and economic growth. Studies with similar

findings, but susceptible to the methodological flaws observed in Emecheta and Ibe (2014) include Akpansung and Babalola (2012), using annual data for the time span 1970-2008,

Furthermore, Adeleke, Olowe and Fasesin (2014) analyzed the impact of foreign direct investment on Nigeria economic growth over the period of 1999- 2013. The main type of data used in this study is secondary; sourced from various publications of Central Bank of Nigeria, such as; Statistical Bulletin, Annual Reports and Statement of Accounts. The findings revealed that economic growth is directly related to inflow of foreign direct investment and it is also statistical significant at 5% level which implies that a good performance of the economy is a positive signal for inflow of foreign direct investment. This implies that foreign direct investment is an engine of economic growth.

Similarly, Solomon and Eka (2013), Investigated the empirical relationship between Foreign Direct Investment and economic growth in Nigeria. The work covered a period of 1981-2009 using an annual data from Central Bank of Nigeria statistical bulletin. A growth model via the Ordinary Least Square method was used to ascertain the relationship between FDI and economic growth in Nigeria. The result of the OLS techniques indicated that FDI has a positive but has insignificant impact on Nigerian economic growth for the period under study.

Alejandro (2010) also explained that FDI plays an extra ordinary and growing role in global business and economics. It can provide a firm with new markets and marketing channels, cheaper production facilities access to new technology products, skills and financing for a host country or the foreign firms which investment, it can provide a source of new technologies, capital processes products, organization technologies and management skills and other positive externalities and spillover that can provide a strong impetus to regional economic growth.

Furthermore, Onuorah and Akujuobi (2013) applied ordinary least square method combined with pair wise granger causality test to examine the impact of macroeconomic variables on the performance of FPI IN Nigeria, it found that GDP and Money Supply had inverse relationship with foreign portfolio investment while Interest Rate, Exchange Rate and inflation rate were directly related to foreign portfolio investment. Granger causality results based on F-statistic computed value revealed that there was no causality among all these macroeconomic variables and foreign portfolio investment. Finally, the study found out that there was no long run relationship existing between GDP, inflation rate, exchange rate, Money Supply, interest rate and foreign portfolio investment.

Adegbemi (2012) in a study conducted using Nigeria data and three stages least square (3SLS) method of analysis to capture the disaggregated impact of FDI on the different sectors of the economy, found that foreign direct investment (FDI) component of investment has a significant impact on the output of the economy but the growth effects differ across sectors. Thus, concluded that there is need to offer inducements to assist in marketing local investment opportunities to prospective foreign investors

Akpansung and Babalola (2012), investigated the association between credit in banking sector and economic growth in Nigeria for the period from 1970 to 2008 utilizing the least squares approach (two-stage). The study establishes evidence that credit in private sector positively affected on economic growth while lending rate slows down economic growth. In addition, in Nigeria and for the period 1970-2010

In the same vein, Egbetunde and Mobolaji (2010), looked at the causality and the long-run connection between financial development represented by private credit, bank credit, liquid

liabilities and broad money and per capita real GDP as a measure of economic growth for ten Sub-Saharan African economies for the period 1970–2005. They used different tools, such as unit root test, Co-integration test, Granger causality test and Vector Error Correction Model (VECM) to inspect the hypotheses. The VECM and Co-integration consequences displayed that financial development and economic growth have a long-run association. Granger causality test illustrated that financial development Granger reasons economic growth for Burundi, Cameroon, Mali and Nigeria. While the economic growth reasons financial development for Benin, Burkina Faso, Madagascar and Malawi. Besides, there was bidirectional causality between financial development and economic growth for Cote d'Ivoire and Ghana.

In addition, Bogahawatte and Balamurali (2004) examined the relationship between foreign direct investment and economic growth of Sri Lanka for the period 1977-2003 using Johansen's full information maximum likelihood method by considering relationship between real gross domestic investments and openness of the trade policy regime. The results indicate that foreign direct investments exert an independent influence on economic growth and there is bidirectional causality between foreign direct investment and economic growth. The findings suggest that trade policy reforms, implementation aimed at promoting foreign direct investment, domestic investment and restoring international competitiveness to expand and diversify the country's exports has the potential of accelerating economic growth in the future.

Gap in literature

The role of investment in the development of any country cannot be over emphasized. While some scholars see private investment to have significant positive effect on growth, others see the reverse as the case. However, none of these empirical studies has emphasized on investigating the effect of private sector credit and investment on economic growth in Nigeria (1986-2018) which makes the variables of their studies to differ from that of the present study. Besides, the empirical review carried out revealed that most of the existing work on the subject matter utilized data for the identified variables up to the year 2014; very few other studies extended to 2015. There is therefore obvious gap between 2015, 2016, 2017 and 2018. Also data generated in this study was analyzed using econometric statistical package of E-view 10 which none of the previous studies used. The study is thus developed to bridge this gap.

It is the above identified gaps that this present work sets out to fill by examining the effect of private sector credit and investment on economic growth of developing countries with special reference to Nigeria.

Methodology

This study used *ex-post-facto* research design because secondary sources of data were explored. This design was employed following prior existence of both the exogenous and endogenous variables used for the study. The data for the study were sourced from the world development Indicators (WDI) and the Central Bank of Nigeria (CBN) statistical bulletin (2021).

Model specification

A linear relationship was established between economic growth proxied by GDP the dependent variable and the independent variables of the study which include foreign private investment, foreign direct investment, Nigerian lending interest rate, private sector credit. However, prior to model specification, this study adopted a model from prior study of Macaulay, (2012) and modified it with the inclusion of its peculiar variables. Again, the functional form of the model used for the current study is specified as follows:

$$GDP = F(FPI, FDI, INTR, PSCR) \quad \text{eq.1}$$

The model can be expressed in the econometric form below

$$GDP = \beta_0 + \beta_1 FPI + \beta_2 FDI + \beta_3 INTR + \beta_4 PSCR + U_t \quad \text{eq.2}$$

Where

β_0	= Intercept of the model
$\beta_1, \beta_2, \beta_3, \beta_4$	= Parameter Estimates
GDP	= Gross domestic product
FPI	= Foreign private investment
FDI	= Foreign direct investment
INTR	= Interest rate
PSCR	= Private sector credit
U_t	= Error term

Table 1: A priori Expectation

VARIABLES	EXPECTED SIGN
FPI	+
FDI	+
INTR	-
PSCR	+

Results and discussion

The stationary test was carried out to ensure that data employed in analysis were stationary. To carry out the test the Augmented Dickey fuller unit root test was employed and results are displayed below.

The null and the alternative hypothesis are stated thus:

H_0 : Presence of unit root around a deterministic trend, that is, non stationary

H_1 : Non presence of unit root, that is, stationary

Table 2: ADF Unit root test result

Variable	ADF Statistics	Critical Value	Order of Integration	Remark
LOGINT	-5.933736	-2.957110	1(0)	Stationary at level
LOGFPI	-5.858156	-2.960411	1(1)	Stationary at 1 st difference
LOGFDI	-10.20531	-2.960411	1(1)	Stationary at 1 st difference
LOGPSC	-8.820616	-2.960411	1(1)	Stationary at 1 st difference
LOGGDP	-8.789643	-2.960411	1(1)	Stationary at 1 st difference

Source: Authors extraction from E-View 10

The ADF unit root test result of table 2 shows that at level, 1(0), the absolute value of the ADF statistic of interest rate -5.933736 is greater than the reported critical value of -2.957110, thus we reject the null hypothesis and conclude that interest rate is stationary at level that is integrated at order I(0). At first difference, 1(1), the absolute values of the ADF statistics of Foreign Portfolio Investment, -5.858156, Foreign Direct Investment, -10.20531, Private Sector Credit, -8.820616 and Gross Domestic Product, -8.789643 are greater than the reported critical values of -2.960411 (in absolute term) at 5% level of significance, thus the null hypothesis is rejected with the conclusion that the four variables are stationary at first difference.

ARDL bounds test for co-integration

ARDL bound test is carried out to test for long run relationship among the variables of the model having confirmed their order of integration at I(0) and I(1) respectively. Results are presented in table 3 below.

Table 3: ARDL Bounds Test for Co-integration

F-Bounds Test		Null Hypothesis: No levels relationship		
Test Statistic	Value	Signif.	I(0)	I(1)
Asymptotic: n=1000				
F-statistic	7.831446	10%	2.2	3.09
K	4	5%	2.56	3.49
		2.5%	2.88	3.87
		1%	3.29	4.37
Actual Sample Size	32	Finite Sample: n=35		
		10%	2.46	3.46
		5%	2.947	4.088
		1%	4.093	5.532
		Finite Sample: n=30		
		10%	2.525	3.56
		5%	3.058	4.223
		1%	4.28	5.84

Source E-view 10

Results of the F-Bounds test statistics of ARDL shows that the F-statistics is 7.831446, which is greater than the 5% critical value bounds of 2.56 for I(0) and 3.49 critical values bound of I(1). The null hypothesis of no levels relationship is therefore rejected. This therefore led to the conclusion that there is level relationship within the critical bounds of the levels I(0) and I(1) respectively. The finding empirically proved that the Private Sector Credit, Foreign Direct Investment, Foreign Portfolio Investment and Nigerian Interest Rate have long run effect on curbing Nigerian unemployment rate for the period in view.

ARDL error correction model

The Error Correction Model technique or the long run speed of adjustment is carried out to find out the rate at which the model returns to equilibrium in the long run. Results are presented in table 4 below.

Table 4: ECM Result

ECM Regression				
Case 2: Restricted Constant and No Trend				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
CointEq(-1)*	-0.47048	0.139886	-7.484982	0.0000
R-squared	0.611082	Mean dependent var		0.087503
Adjusted R-squared	0.611082	S.D. dependent var		0.293435
S.E. of regression	0.182996	Akaike info criterion		-0.527955
Sum squared resid	1.038112	Schwarz criterion		-0.482151
Log likelihood	9.447276	Hannan-Quinn criter.		-0.512772
Durbin-Watson stat	2.332782			

Source: E-View 10

Results of the ECM in table 4 shows that the Error Correction Term ECM(-1) is rightly signed with a negative coefficient of -0.47048 with significant T-statistics value of -7.484982 (P-value 0.0000). This explains that the model corrects its previous periods disequilibrium at a speed of 47.04% estimated annually.

ARDL short run regression

This is carried out to express the short run relationship of the specified model. Thus data is estimated as follows:

$$GDP = \alpha + \beta_1 \{LOGFPI, LOGFDI, LOGINTR, LOGPSCR\}.$$

Table 5: Dependent Variable: LOGGDP

Variable	Coefficient	Std. Error	t-Statistic	Prob.*
LOGGDP(-1)	-0.047048	0.168296	-0.279553	0.7820
LOGPSC	0.903223	0.173119	5.217345	0.0000
LOGFDI	-0.116244	0.116120	-1.001066	0.3260
LOGFPI	0.044130	0.040766	1.082526	0.2890
LOGINT	-0.385263	0.648425	-0.594152	0.5575
C	2.174065	0.998285	2.177801	0.0387
R-squared	0.961422	Mean dependent var		4.041853
Adjusted R-squared	0.954003	S.D. dependent var		0.931690
S.E. of regression	0.199818	Akaike info criterion		-0.215455
Sum squared resid	1.038112	Schwarz criterion		0.059371
Log likelihood	9.447276	Hannan-Quinn criter.		-0.124358
F-statistic	129.5919	Durbin-Watson stat		2.332782
Prob(F-statistic)	0.000000			

Source E-View 10

The relationship model is thus expressed

$$LOGGDP = 2.17406523817 + 0.903223495989*LOGPSC - 0.116243861582*LOGFDI + 0.0441302618887*LOGFPI - 0.385263353598*LOGINT \dots\dots\dots \text{Equation 4.8}$$

From the regression line of table 4.8 above, the intercept α_0 (2.174065) shows that Y (GDP) increased by 2.174065 which shows that the explanatory variables has increasing joint effect GDP in the short run.

Short run estimates of the model on table 3 above shows that the Gross Domestic Product has one period lag (LOGGDP(-1)) which shows that the previous year's value decreases itself by -0.047048units, this explain that it has negative self-effect.

The relationship model of equation 4.8 shows that private sector credit have a positive coefficient of 0.903223495989, which indicates that it is positively related to GDP, an increase in private sector credit public increased GDP the by 0.903223495989 units in the short run. Foreign Direct Investment has a negative coefficient of 0.116243861582 in the model relationship equation which shows that it has a negative effect, an increase in the variable increases GDP by 0.116243861582 in the short run. Contrarily Foreign Portfolio Investment has a negative coefficient value of 0.0441302618887, this affirms that an increase in the variable reduces GDP by 0.0441302618887 units in the short run. Interest rate has a negative coefficient of -0.385263353598, this explain that increase in Interest Rate reduces GDP in the short run for the period in view.

Test of significance with respect to the T-statistics of the model shows that the three independent variables have insignificant probability values; this is considering the fact that their probability values are higher than 0.05 in the ARDL short run regression and are therefore insignificant at 5% level of significance. The results are: LOGFDI 0.3260

ARDL Long Run Regression

Variable	Coefficient	Std. Error	t-Statistic	Prob.
LOGPSC	0.862638	0.104988	8.216530	0.0000
LOGFDI	-0.111021	0.111710	-0.993825	0.3295
LOGFPI	0.042147	0.038582	1.092419	0.2847
LOGINT	-0.367952	0.606511	-0.606670	0.5493
C	2.076377	0.845882	2.454688	0.0211
EC = LOGGDP - (0.8626*LOGPSC -0.1110*LOGFDI + 0.0421*LOGFPI -0.3680*LOGINT + 2.0764)				

Source: E- View 10

From the regression line of table 6 above, the intercept a_0 (2.076377) shows that Y(GDP) increased by 2.076377 which shows that the explanatory variables has increasing joint effect on GDP in the long run.

Discussion of findings

Udo (2016) observed that private investment is generally conceptualized in terms of physical capital formation. He noted that private investment in physical capital, usually are undertaken by firms and individuals to accumulate, overtime, real capital goods, which yield a future flow of goods and services. The private sector is also described by other names like capitalism, free enterprises system, the voluntary exchange economy, the market system and the profit system (Adamu, 2006). The role of the sector in propelling economic growth and development via employment and income generation amidst other underscores the overwhelming emphasis and importance accorded private sector investment.

The study therefore investigated the relationship between Private Sector Credit and Investment on economic growth. The private sector credit is segregated into credit to the private sector and Nigerian lending Interest Rate, while Private Sector Investment is segregated into Foreign Direct Investment and Foreign Portfolio Investment. The most enduring debate is whether Private Sector Credit and Investment significantly increases economic growth in Nigeria.

Stationary test was carried out through unit root test with ADF statistics to ensure that data set employed in analysis were stationary. Preliminary findings revealed that variables of the model were stationary at level, 1(0) and first difference 1(1). The unit root test result therefore qualified the model for an Autoregressive Distributed Lag (ARDL) analysis as adopted by Aremu, Babalola, Aninkan & Saloko (2015).

In analysis, first the ARDL Bounds Test for Co-integration was conducted. Findings lead to rejection of the null hypothesis of no level relationship in the model. This therefore led to the conclusion that there is level relationship within the critical bounds of the levels 1(0) and 1(1) respectively. The finding empirically proved that Private Sector Credits and Investments have long run significant effect on GDP.

ECM analysis was explored to determine the speed of adjustment of the model to equilibrium in the long run. ARDL, ECM CointEq (-1), coefficient of -0.47048, was obtained, which shows that the model corrects its previous periods disequilibrium at a speed of 47.04% estimated annually. In other words, increasing the Private Sector Credits and Investment at a steady rate of 47.04% will significantly increase Nigerian GDP in the long run.

Thus the short and long run relationship of the model was explored with the ARDL short and long run regression.

Conclusion

This study research employed a co-relational design aimed at investigating the effect of private sector credit and investment on economic growth for the period 1986-2020. However, based on the findings, the study concludes that private sector credit and investment have long joint significant effect on GDP. The work further concludes that economic growth is directly related to inflow of foreign direct investment which implies that a good performance of the economy is a positive signal for the inflow of foreign direct investment. The work further concludes that investment is insignificantly related to GDP, private sector credit also has enhanced the economy over the period in view which indicate that a good performance of the economy is the function of private sector credit.

Recommendations

The recommendations were made in this study as follows; based on the results of the analysis

1. Bank lending should be encouraged to drive private sector growth. It can have strong consequences for growth in Nigeria since this can stimulate domestic market growth and cushion the economy from external shocks that can arise in the global markets due to the volatile nature of the global economy.
2. Interest rate should be reduced in order to enable the private sector to have multiplier effect so as to enhance economic growth of Nigeria
3. Furthermore, government should liberalize the foreign sector in Nigeria so that all barriers to trade such as arbitrary tariffs; import and export duties and other levies should be reduced so as to encourage investors.
5. The government should formulate policies that; would encourage private sector investment, enhance saving, stabilize interest rate to improve the confidence of the foreign investors in the economy, as this might lead to sustainable economic growth in Nigeria.

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**ENTREPRENEURIAL EDUCATION AS PANACEA FOR UNEMPLOYMENT IN
NIGERIA (A STUDY OF SMALL AND MEDIUM ENTERPRISE DEVELOPMENT
AGENCY OF NIGERIA (SMEDAN), ABUJA)**

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ABSTRACT

Level of employment is a critical macroeconomic index that governments at all levels pay attention to. Also, entrepreneurial education has become important in modern economies because of the role it plays in creating self-reliant citizens who do not depend on white-collar jobs. This study aims to examine entrepreneurial education as panacea for reducing unemployment in Nigeria. First, we examined the relationship between entrepreneurial education and employment generation in Nigeria and then determined the extent entrepreneurial education affect small and medium scale enterprises development in Nigeria. Primary data were obtained from 100 sampled respondents in Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) located in Federal Capital Territory (FCT). Findings show that high rate of unemployment brings about waste of human capital; increase in crime and violent agitations among youths; lowers productivity; impedes economic growth and promotes poverty and lowers the standard of living of the people. It was also established that there is a significant relationship between entrepreneurial education and unemployment reduction and employment generation in Nigeria. Also, it was revealed that entrepreneurial education programmes have significant effect on small and medium scale enterprises development in Nigeria. Furthermore, there should be collaboration between small business entrepreneurs and research institutions for exploitation of research findings of those institutions to achieve increased productivity for economic development. Governments at all levels should postulate good policies to create favourable economic environment and reduce the problems of entrepreneurs through the supply of needed infrastructural facilities like power, technological and business information and advice. Entrepreneurship training should be part of the programmes of National Youth Service Corps (NYSC). The Federal Government of Nigeria should provide enabling environment conducive for the smooth operation of entrepreneurs to boost employment, innovations, and productivity in the economy.

Keywords: Entrepreneurship, Education, Nigeria, Unemployment, Economy,

INTRODUCTION

In the face of abundant human and material resources, many Nigerians are living in poverty. However, unemployment, indeed youth unemployment could be one of the reasons. Ekine (2021) affirms that youth unemployment is one that needs more attention in the policy space. Data from the National Bureau of Statistics reveals Nigeria's unemployment rate as at the second quarter of 2020 is 27.1% indicating that about 21,764,614 (21.7 million) Nigerians remain unemployed. Nigeria's unemployment and underemployment rate (28.6%) is a combined 55.7%. This means the total number of Nigerians who are unemployed or underemployed as of 2020 Q2. In 2021, unemployment is at 33%, and underemployment (defined as people working 20-29 hours per week) at 23%. For the youth (15 – 34 years, about 50% of the labour force), those numbers are 42% and 21%, respectively, higher than for any other age group. Youth Unemployment Rate in Nigeria increased to 53.40 percent in the fourth quarter of 2020 from 40.80 percent in the second quarter of 2020 (NBS, 2021).

It is evident that entrepreneurial skills are needed to tackle these menaces. This calls for serious training and re-orientation among our youths. Entrepreneurship education and training entail philosophy of self-reliance such as creating a new cultural and productive environment, promoting new sets of attitudes and culture for the attainment of future challenges (Arogundade, 2011).

All over the world, entrepreneurship training programs have been considered as a veritable tool for generating employment, and so, are designed and pursued to provide the level of education or knowledge needed to exploit entrepreneurial opportunities boost employment, self-reliance, and economic development. Skill acquisition has been described as the most critical factor in the utilization of entrepreneurship opportunity for self-employment (Ekpe, Razak, Ismail & Abdullah, 2012).

Entrepreneurship education, therefore, is considered a vital link to an overall economic growth of a nation through its positive impact on employment generation and economic development especially at the grassroots. Entrepreneurships help to create wealth and reduce unemployment, produce creativity and innovation, and increase the total production of a country. Arguably, the technological advancement or transformation in any country mostly can be made possible through innovative sciences, ideas and utilizing uncommon opportunities; and entrepreneurship is the best way to achieve this. People become gainfully employed through vocational training and skill acquisition (Sackey, Ejoh, & Jude, 2013).

Entrepreneurship has been adjudged by many scholars to have a very potency to generate employment, thus, underscoring the quintessence, significance, and relevance of this sub-sector in the development of any given economy. The experiences of developed economies in relation to the roles played by entrepreneurship buttresses the fact that the importance of entrepreneurship cannot be overemphasized especially among the Developing Countries. To highlight its significance in relation to the growth and development of a given economy, entrepreneurship has been variously referred to as an employment generation source (Anyadike, Emeh, & Ukah, 2012).

Entrepreneurship education is considered a vital link to an overall employment generation of a nation through its positive impact on economic development especially at the grassroots (Barringer & Ireland, 2012). Entrepreneurships help to create wealth and reduce unemployment, produce creativity and innovation, and increase the total production of a country. Arguably, the technological advancement or transformation in any country mostly can be made possible through innovative sciences, ideas and utilizing uncommon opportunities; and entrepreneurship is the best way to achieve this. People become gainfully employed through vocational training and skill acquisition (Sackey, Ejoh & Jude, 2013).

Sustainable employment and robust economic growth cannot be achieved without putting in place well focused programmes to reduce poverty through empowering the people by building their productive capacity, enhancing their skills, and increasing access to factors of production. The latent capacity of the entrepreneurs would be significantly enhanced through the provision of entrepreneurial training and skills development to enable them to engage in economic activities and be more self-reliant; increase employment opportunities, enhance household income, and create wealth. It is against the above background that this study seeks to examine entrepreneurial education as a tool for reducing unemployment in Nigeria.

Despite individual and government efforts to create jobs, most Nigerian university graduates fail to get employed because of the ineffectiveness of the programmes designed and implemented by government for the reduction of graduate unemployment. These programmes failed to achieve the desired results partly because of poor implementation and other intervening factors (Chukwu & Igwe, 2012). Based on these pathetic situations, it interests the researchers' interest to investigate the role of entrepreneurial education in the reduction of unemployment rate among Nigerian graduates.

2.1 Conceptual Review

2.1.1 Concept of Entrepreneur and Entrepreneurship

Entrepreneur can be defined as an innovating individual who has developed an ongoing business activity where none existed before (Arogundale, 2011). The entrepreneur has also been seen as an actor, innovator, or a developer of technology (Orogbu, & Oyibgo, 2015).

Entrepreneurship is used to describe the creative, innovative, risk taking and organizational processes and functions of individuals who initiate, run, and nurture a business venture. It involves of identifying opportunities, creating, or improving a new or existing technologies, products, or services, bearing the accompanied risk, and receiving resultant rewards (Etuk, Etuk, & Baghebo, 2014). Similarly, Arogundale (2011) see entrepreneurship as the willingness and ability of a person or persons to acquire educational skills to explore and exploit investment opportunities, establish, and manage a successful business enterprise.

Ogundele, Akingbade and Akinlabi (2012) described entrepreneurship as the willingness and ability of an individual to seek out investment opportunities and takes advantage of scarce resources to exploits the opportunities profitably. It is the process of creating something new with value by devoting the necessary time and efforts, assuming the accompanying financial social risks at the end receiving resulting reward.

2.1.2 Concept of Entrepreneurial Education

The two most frequent terms used in this field are enterprise education and entrepreneurship education. The term enterprise education has been defined as focusing more broadly on personal development, mindset, skills, and abilities, whereas the term entrepreneurship education has been defined to focus more on the specific context of setting up a venture and becoming self-employed (QAA, 2012, Mahieu, 2006). Erkkilä (2000) has proposed the unifying term entrepreneurial education as encompassing both enterprise and entrepreneurship education. This term will be used extensively in this study to avoid confusion.

Entrepreneurial education is a process whereby a person acquires or learns a particular skill or type of behavior needed for business through training or education to identify and exploit entrepreneurial opportunity for self-employment (Ogundele, Akingbade & Akinlabi, 2012). It also helps entrepreneurs to acquire self-confidence, self-esteem and participate in decision-making at household and community levels (Rufai, Abdulkadir & Abdul, 2013).

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self-confidence, self-esteem and participate in decision-making at household and community levels (Rufai et al., 2013).

Globally, entrepreneurial education programmes introduced into educational institutions were meant to provide the level of education or knowledge needed to exploit entrepreneurial opportunity which could help employment generation and the economic development of such countries (Arogundale, 2011). Studies have shown that skill acquisition is the most critical factor in the utilization of entrepreneurship opportunity for self-employment (Ekpe et al., 2012).

The main goal of most entrepreneurial education is to develop some level of entrepreneurial competencies. Entrepreneurial competencies are defined Lackéus (2015) as knowledge, skills and attitudes that affect the willingness and ability to perform the entrepreneurial job of new value creation. In order to lower the rate of unemployment among Nigerian graduates with certificate qualification having a expressive source of living, the concept of entrepreneurial education (training) was introduced into tertiary education in Nigeria (Jacobs, Ezeokafor, & Ekwere (2021).

The goal of entrepreneurial education was to acquire knowledge by students to establish and run a business with other skills needed for its survival and to become successful entrepreneurs. In the opinion of Maina (2013) entrepreneurial education is part of the total educational system involving skills acquisition, ideas, and management capabilities suitable for job creation.

2.1.3 The Concept of Unemployment

Unemployment is defined as the portion of the labour force that does not have job (Mundi, 2013). Unemployment in other words, is the total percentage of people who want to work but the work is not available. It refers to the number of people who have acquired the required knowledge and skills and are willing to work but the work is not available for them to do. These people are products of many institutions within and outside Nigeria. In the view of Olaiya (2013), any population of joblessness people can be said to be unemployment which has rendered many young men and women redundant. Olubukola (2013) stated that unemployment is a universal condition where fit workforce of a nation is disengaged in the service of the nation.

According to Anyadike, Emeh and Ukah (2012), every nation's economy is characterized by both active and inactive populations. They observed that the economically active ones are those populations willing and able to work and include those actively engaged in the production of goods and services and those who are unemployed. The International Labour Organisation in their contribution has it that the unemployed are numbers of the economically active population who are without work but available for and seeking for work. They also include people who have lost their jobs and those who have voluntarily left work (World Bank, 1999).

2.2 Review of Empirical Studies

Prior studies on entrepreneurial development among scholars presented varied perspectives and findings. This review will look at some recent works done on the subject matter.

2.3.1 Entrepreneurship Education and Unemployment Reduction

According to Arogundale (2011) the strategies for effective entrepreneurship education required to reduce unemployment and enhance sustainable development in Nigeria, include incorporation schoolwork-based learning in some studies as part of the national economic development strategies in the form of apprenticeship scheme would give new graduates some work skills and experience and pooling local public and private funds to create a small venture capital fund. Jacobs, Ezeokafor and Ekwere (2021) examined the effect of entrepreneurial education on unemployment reduction among final year students of Business Administration and Entrepreneurship Studies Department in Chukwuemeka Odumegwu Ojukwu University, Igbariam adopting a cross-sectional survey research design, and a structured instrument. Findings from the study revealed that skill acquisition has significant effect on unemployment reduction, entrepreneurship empowerment affects unemployment reduction, infrastructural development has significant effect on unemployment reduction in Anambra State.

The activities of these enterprises provide job opportunities, increase rate of employment among youths, promotes self-sufficiency and reduce poverty. Through well-planned and executed entrepreneurship programme, youths will learn to be happy and fulfilled youths. They will also be productive, self-reliant, and committed as employees or employers thereby allowing their unique abilities to be utilized for the development of community, local, state, and national goals rather than abandoning their countries for greener pasture elsewhere (Uzoamaka, Anigbuogu & Onwuzuligbo, 2015).

Anyadike, Emeh and Ukah (2012) conducted a study on Nigeria's growing unemployment situation and how it increasingly dwindles the potentials of the country. The authors concluded that government should make entrepreneurship sellable to the people by inculcating it into the educational curriculum at every stratum of the educational sector and utilize a re-modelled NYSC scheme educate the youths more on the importance, essences and need for entrepreneurship development.

Akanwa and Akpanabia (2012) examined the need for promoting employment in Nigeria through the development of entrepreneurship. The work relies mostly on secondary data from scholars/authors in the field. They concluded that, government and its agencies should deliberately encourage entrepreneurial culture and skill in Nigeria to attack and eventually reduce the high level

of unemployment situation in the country so that the nation will boost its economic development.

Salami (2013) in his research on youth unemployment in Nigeria warned that unemployment in Nigeria is a time bomb waiting to explode if effective interventions are not put in place to mitigate the unsavoury impact. His work establishes a link between entrepreneurship and youth unemployment if adequate attentions is focused on the creation of enabling socio-economic and political environment that can galvanize a culture where the youths think job creation away from the mindset of job seekers.

Taiwo (2014) carried out empirical research on the impact of entrepreneurship development on job creation in Nigeria. He found out that in any given economy, entrepreneurship development always gives birth to job creation which will force people to do something that will better their lives and the country at large. It was clear from his observation that job creation or employment opportunity in an economy can be traceable to entrepreneurship training and development.

Asad, Ali and Islam (2014) examined the need to reduce unemployment through entrepreneurship in Pakistan. The regression results indicate that 91 percent variations in entrepreneurship development have been explained by the explanatory variations in variables. The unemployment rate has been found to be negatively related to entrepreneurial development. High rate of unemployment has been associated with low level of entrepreneurial development in economy of Pakistan.

Okoye, Iloanya and Udunze (2014) investigated the extent to which entrepreneurship in Nigeria has helped to reduce youth unemployment. The study revealed that government policies and initiative has affected the "transformation question". This is due to the increase of corruption, inadequate and maladministration. They conclude that entrepreneurship is an engine for job creation, innovation and diversity. They recommend that government should genuinely recognize the essence of entrepreneurship to economic development by providing the enabling environment for the youth to be gainful employed for economic development.

Isidore, Razli, Mohammad and Zulhamri (2015) investigated entrepreneurial skill acquisition and youth's self-employment in Malaysia. The study employs a cross-sectional survey method to solicit responses from Malaysian University Graduates of Entrepreneurship for the five years (2009 to 2014) using questionnaires and stratified random sampling. The study concluded that enterprise development is very crucial to a nation's economic development through employment generation.

3.0 Research Methodology

The sample design employed in this research was random sampling. The questionnaire design adopted is a combination of structured and unstructured forms. The population of this study is represented by the entire staff and entrepreneurship development experts drawn from relevant departments of Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) located in Federal Capital Territory (FCT). Therefore, the population of the study is 500.

From the population, a sample size of 100 was determined through judgmental sampling technique. The sample size of 100 was determined by applying 20% on the total population in such a systematic way as to ensure that all the characteristics of the population are represented. For data analysis, tables were used for data presentation in percentages using frequency distribution table while data were analysed using descriptive and inferential statistics. The chi-square statistical instrument was used for the test of hypotheses.

4.0 Discussion on Findings

The study examined entrepreneurial education as tool for reducing unemployment in Nigeria. The first objective of the study was to determine whether unemployment has significant effect on socio-economic development of Nigeria. The result of the test of hypothesis revealed that unemployment has significant effect on socio-economic development of Nigeria. The result shows that high rate of unemployment brings about waste of human capital; increase in crime and violent agitations among youths; lowers productivity; impedes economic growth and poverty and low standard of living of the people.

The second objective of the study was to determine whether there is a significant relationship between entrepreneurial education and employment generation in Nigeria. The findings showed that entrepreneurship education plays a major role in employment generation. It has also been revealed that a significant relationship exist between entrepreneurial education and employment generation in Nigeria. This result implies that improvement in entrepreneurial education will promote employment generation in Nigeria.

The third objective of the study was to determine whether entrepreneurial education programmes have significant effect on small and medium scale enterprises development in Nigeria. The result of the test of hypothesis revealed that entrepreneurial education programmes have significant effect on small and medium scale enterprises development in Nigeria.

Like the results of many previous studies (Isidore, Razli, Mohammad & Zulhamri, 2015) citing Amadi, 2012; Chukwunenye & Igboke, 2011; Onyeizugbe, Orogbo & Oyigbo, 2015; and Okoye,

Iloanya and Udunze (2014), the results of this study appear to suggest that entrepreneurship development programmes, to a large extent, has the capacity to enhance employment generation in Nigeria. From the test of hypotheses, it was revealed that there is a significant relationship between entrepreneurship education and employment generation in Nigeria; and that entrepreneurship development programmes have significant effect on job creation and self-employment in Nigeria.

Conclusions

Entrepreneurship education is not just skills acquisition, but it is an acquisition of skills, ideas geared towards creating employment for self and others. It leads to the development of small scale, medium scale and large-scale businesses based on creativity and innovation.

However, entrepreneurship in Nigeria has been hindered by three major factors: structural, cultural and the lack of political will by policy makers. It is therefore important that Government takes the issue of entrepreneurship education and small-scale business growth and development very seriously.

Recommendations

Based on the findings of the study, the study offers the following recommendations:

- i. Entrepreneurship education and apprenticeship scheme should be made compulsory for all undergraduates of higher institutions in Nigeria.
- ii. There should be collaboration between small business entrepreneurs and research institutions for the exploitation of research findings of those.
- iii. Governments at all levels could intervene in postulating good policies to create favourable economic environment and reduce the problems of entrepreneurs through the supply of needed technological and business information and advice.
- iv. Entrepreneurship training should be part of the National Youth Service Corps (NYSC) programme to imbue the fresh graduate with creative and innovative spirit for self-employment.
- v. The National Universities Commission (NUC) should mandate all universities in Nigeria to create Entrepreneurship Development Centres and put in place compulsory courses on Entrepreneurship for all undergraduate students irrespective of their discipline. The same thing should be done for the Polytechnics and Colleges of Education.
- vi. The Federal Government of Nigeria should provide enabling environment conducive for the smooth operation of Entrepreneurs to boost employment, innovations, and productivity in the economy.
- vii. The Federal Government should improve on power sector reforms and stabilize the power supply to end the looming energy crisis in Nigeria. This is to encourage entrepreneurship development activities in the country as power is a major factor for productive and economic activities.

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ENTREPRENEURIAL MARKETING COMPETENCE DEVELOPMENT AND SALES PERFORMANCE OF FOOD AND BEVERAGES MANUFACTURING SMEs IN RIVERS STATE. NIGERIA.

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ABSTRACT

The study examined entrepreneurial marketing competence development and sales performance of food and beverages manufacturing SMEs in Rivers State. Nigeria.. Two research questions and two hypotheses were formulated to guide the study. A quasi-experimental design was adopted. Population of the study consisted of 309 sales management staff of the selected food and beverage manufacturing SMEs. The sample size comprised of one hundred and seventy four (174) sales management staff of the selected food and beverage manufacturing SMEs. The Mean and standard deviation were used in answering the research questions while Kendall-Tau Correlation was used in testing the hypotheses. The findings revealed that there is a significant relationship between opportunity competence; relationship competence and sales turnover of food and beverages manufacturing SMEs in Rivers State.. The study concluded that a better application of entrepreneurial competence (relationship and opportunity competence) can help entrepreneurs eliminate most of the constraints identified and boost their performance level. The researcher therefore recommended amongst others that food and beverage entrepreneurs should possess the ability to explore new ideas, take risks to work reasonably, to monitor progress towards the goals in action at risk and have the ability to identify opportunities.

Keywords: Entrepreneurial Marketing, Competence, Development, sales performance, sales turnover, opportunity competence, relationship competence,

INTRODUCTION

One of the most important concepts for all enterprises in every size and every sector is market performance. As the market success of the firm is a consequence of its market performance, it will be pertinent to state that performance is a direct determinant on the consequence. On the other hand, Small and Medium sized Enterprises (SME) represent the most populous group of firms in national economies. Within this context, it is generally accepted that SMEs form the basis of national economies. Therefore, it is clear that the stronger SMEs get, the stronger national economies become on the whole. It is a necessary but not a sufficient condition for firms to be strengthening having manufacturing capacity and activity at high levels

As the global business environment has become increasingly competitive, ensuring long-term sales performance has become a very difficult task for Small and Medium Enterprises (SMEs), the capability to put in place appropriate entrepreneurial marketing competence practices has long been deemed a key strategic differentiator and means of achieving high and sustainable performance over the competitors. Entrepreneurial marketing practices are associated with marketing activities of firms which are small and resource constrained, making such firms to rely on creative and often unsophisticated marketing tactics that make heavy use of personal networks (Nabamita, Dutta, Deepraj & Mukherjee, 2015). This implies that Entrepreneurial marketing practices are integrative process designed to innovatively apply the collective knowledge, skills, and resources of the firm to market related needs of the business to enable the business add value to its goods and services and meet competitive demands.

Sales performance is considered to be a subset of the broader concept of organizational success, it is a fundamental feature for survival and sustainability as performance factors like appropriate entrepreneurial marketing practices have been found to spur business expansion, sales growth, customer satisfaction and return on investment in all classes of SMEs. Achieving accelerated sales performance in food & beverage SMEs demands their marketing practices to be entrepreneurially and properly carried out and correctly implemented at the right time and in the right proportion (Kinyua, 2014). Besides, the modern day competitive environment demands the successful implementation of marketing practices if a firm is to achieve an appreciable performance in its chosen market segment. Firm performance has been established to directly depend on efficient marketing practices.

Entrepreneurial competence refers to the ability to identify and obtain or create the market on the basis of entrepreneurial opportunity and the requirement of resources (Karra, Phillips & Tracey, 2008). It is the key skill and implicit knowledge the entrepreneurs possess, which are regarded as the overall capability of the entrepreneurs to successfully fulfill their duties (Man, Theresa & Chan, 2002).

There are several competence an entrepreneur must be enhanced with, such as; opportunity competence, relationship competence, conceptual competence, organizing competence, commitment competence, but for this study our emphasis will be on opportunity and relationship competence. One vital competence an entrepreneur must build among the listed competence is relationship marketing competence. This involves relationship building and in-depth analysis of the market; it is one of the marketing theories that emerged in the 1990's. When coming up with a business strategy, the relationships with customers and competitors must be the first priority. The

chief reason of using the relationship marketing is mainly to expand and keep up a profitable relationship portfolio (Catoiu & Tichindelean, 2012).

Empirical evidence has proven that there have not been much scholarly work on the study of entrepreneurial marketing competence. For instance, Rudianto (2012), studied entrepreneurial competencies and the competitiveness of an agribusiness. Sánchez (2011), investigated the influence of entrepreneurial competencies on small firm performance. Lau, Chan, & Man (2000), examine "The entrepreneurial and managerial competencies of small business owner/managers". However, from the listed empirical literature, evidence abound that there is no work connecting entrepreneurial marketing competence and sales performance of food & beverage firms perhaps in Rivers State. Besides, the variables choosing for this study such as opportunity and relationship competence are more holistic and have not been considered by previous researchers. This study therefore empirically looks at how these competences as stated in the study boost the level of sales performance of the manufacturing SMEs.

Furthermore, the inability to build entrepreneurship team with complementary skills and knowledge and experience of the lead entrepreneurs are found to be the critical challenging factors in the food and beverage industry. Without a growing number of entrepreneurs and entrepreneurship, a business is bound to become sluggish in growth. Entrepreneurial competencies play a vital role in the growth of a business as well as an economy of the whole country (Rudianto, 2012). What seems to be a common challenge among food and beverage entrepreneur are poor planning, poor management and marketing.

There are a lot of reasons given, but it is hard to actually know for sure why a business failed unless you analyzed each particular case. Small business entrepreneurs must plan for success. This includes market research, identifying the primary audience/consumer and developing a five or ten-year plan that includes cash flow, financing and expansion concerns. Most businesses focus on the marketing "push," but few ever focus on the "pull," which is one of the secrets to success Sánchez (2011). The ability in making cognitive and analytical thinking, learning, decision making and problem solving, sustaining temporal tension, innovating and coping with uncertainty and risk will help the SMEs to achieve profitable sales performance. Based on the facts stated above, the researchers attempt to investigate the relationship between entrepreneurial marketing competence on sales performance of food and beverage manufacturing SMEs in Port Harcourt.

Research Objectives

The main objective of this paper was to empirically ascertain the influence of Entrepreneurial Marketing Competence Development on Sales Performance of Food & Beverages Manufacturing SMEs in Rivers State. Specifically; the specific objective is to;

- i. Examine the influence of opportunity competence on Sales Performance of Food and Beverages Manufacturing SMEs in Rivers State.
- ii. Investigate the influence of relationship competence on Sales Performance of Food and Beverages Manufacturing SMEs in Rivers State.

Research Question

1. What is the influence of opportunity competence on sales performance of food and beverages manufacturing SMEs in Rivers State?

2. What is the influence of relationship competence on sales performance of food and beverages manufacturing SMEs in Rivers State?

Research Hypotheses

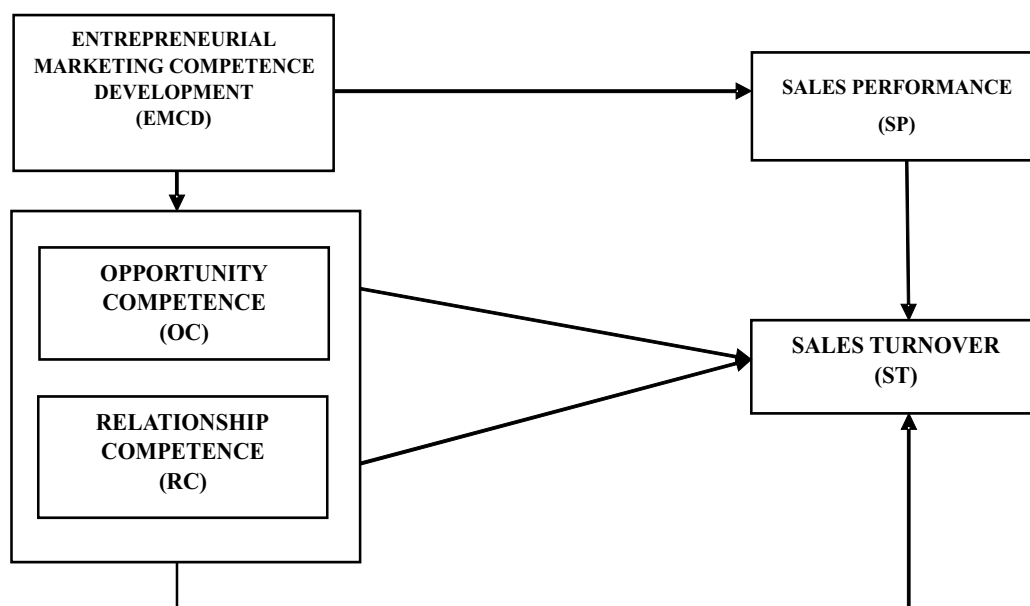
Based on our research framework, the below hypotheses are formulated:

H₀₁: There is no significant relationship between opportunity competence and sales turnover of food and beverages manufacturing SMEs in Rivers State.

H₀₂: There is no significant relationship between relationship competence and sales turnover of food and beverages manufacturing SMEs in Rivers State.

Operational Conceptual Framework

Figure 1: Conceptual Framework on the influence of Entrepreneurial Marketing Competence Development on Sales Performance of Food & Beverages Manufacturing SMES in Rivers State



Source: Conceptualized from review of related literature and researchers concept 2021

Review of Relevant Literature

Theoretical Foundation of the Study

Self-efficacy Theory

Self-efficacy is a construct defined by Albert Bandura (1986) as “self-judgment of one's ability to perform a task in a specific domain.” The belief in self-efficacy provides a great influence on human beings, since they act on their thoughts, feelings and behaviours. The self-efficacy construct influences an individual's choice of activities, goal levels, persistence, and performance in a range of contexts. Self-efficacy is a motivational factor that educational research from the social cognitive approach establishes. Bandura mentioned that self-efficacy affects some of the factors that predict motivation.

Self-efficacy has an important effect on the choice of behavior setting. Individuals tend to choose situations in which they anticipate high personal control but avoid situations in which they anticipate low control. Consequently, to the extent that people plan and choose their career paths, they assess their personal capabilities against the requirements of different occupations. This assessment of their personal capabilities therefore directs people to prepare for and enter occupations in which they feel successful, but at the same time avoid occupations in which they feel a lack of competence (Betz & Hackett 1981, 1986, Miura, 1987). Empirical evidence establishes that entrepreneurial self-efficacy was positively related to students' intentions to start their own business.

Conceptual Review

Entrepreneurial Marketing Competence

Entrepreneurial competencies are associated with the entrepreneurs' ability to be innovative, creativity, be able to identify opportunities, identify strengths and weaknesses. Ahmad, Ramayah, Wilson and Kummerow (2010) defined entrepreneurial competencies as the total ability of an entrepreneur to perform their role successfully. Mitchelmore and Rowley (2013) suggested that entrepreneurial competencies be measured using individual level competencies, which can be classified into four main categories namely personal and relationship, business and management, entrepreneurial and human relations competencies.

Entrepreneurial competencies contribute significantly to any firm's performance and growth (Mitchelmore & Rowley, 2013). For firms to compete successfully both locally and globally, business owners must be equipped with strong entrepreneurial competencies. Entrepreneurial competencies are carried out by individuals, who begin and grow their businesses. In order for firms to survive and be successful in today's competitive and rapidly changing business environment, firms need to continuously enhance their entrepreneurial competencies (Song & Kee, 2013). There are many factors associated with SMEs success.

Opportunity Competencies:

One of the most distinguishing competencies for the entrepreneur is the opportunity related competency. For instance, McClelland (1987) stated that finds 'to see and act on opportunities' is one of the competencies for successful entrepreneurs. Chandler and Jansen (1992) suggest that one of the most important entrepreneurial roles is the ability to recognize and envision taking advantage of opportunities. This category of competencies comprises of the entrepreneurial activities in spotting opportunities, actively seeking new opportunities, and developing the opportunities.

Relationship Competencies:

This type of competencies relates to person-to-person or individual-to-group based interactions, e.g., building a context of cooperation and trust, using contacts and connections, persuasive ability, communication and interpersonal skill (Man et al., 2002). To successfully do so, the entrepreneur needs to possess competencies in relationship building, communication, persuasive and interpersonal abilities (McClelland, 1987; Lau, Chan and Man 2000). Bird (1995) described this relationship building activities as entrepreneurial bonding, which includes not only the creation of relationship, but also their structuring of relationships as the firm grows. Evidence suggests that small firms in particular are critically dependent on their networks, because it is through these that

they gain advice and support from professionals and experts such as lawyers, accountants, and consultants (Ramsden & Bennett, 2005).

Concept of Sales Performance

Sales in business terms are the actual sales in money values, a company receives after necessary collections are made from different sales channels of the original total production put on the market (Mc Cathy, 1994). It is sales that stimulate production in a company and consequently profits which are affected by various factors some of which are controllable like quality and others are uncontrollable like competition and general price changes.

Sales performance is an integrated frame work that enables organizations to plan and model sales strategies and ensure timely execution of sales initiatives while ensuring both front line sales people and decisions-markers have visibility into performance . Sales performance represents the next generation of best practices for sales. (Michael, 2006). Sales performance also refers to the total amount of firm's output sold to the market especially on monthly or annually basis, this is affected by many factors including customer relationship, marketing management of the firm, sales force skills, motivation and even the pricing of the goods and services (Amanda, 2002).

According to literature, sales performance is a combination of sales effectiveness-the ability of a company's sales professionals to “win” at each stage of the customer's buying process, and ultimately earn the business on the right terms and in the right timeframe and sales efficiency-the speed at which each task in the sales process is performed (Farris, Neil, Bendle, Phillip, 2010; Treace, 2012)

Measures of Sales Performance

Sales Turnover

Sales turnover is restricted to revenue generated from operations. Thus, it does not include gains from financial or other activities, such as interest income, gains on the sale of fixed assets, or the receipt of payments related to insurance claims. Bragg (2012) defined sales turnover as the total amount of revenue generated by a business during the calculation period. The concept is useful for tracking sales levels on a trend line through multiple measurement periods, in order to spot meaningful changes in activity levels. The calculation period is usually one year. The revenue included in this calculation is from both cash sales and credit sales. The measurement can also be broken down by units sold, by geographic region, by subsidiary, and so forth. Simply put, sales turnover represents the value of goods and services provided to customers during a specified time period - usually one year

Entrepreneurial Marketing Competence Development and Sales Performance

Fagenson (1993) argued that values exert a strong influence on an individual's vocational behaviour. The specific behaviour of interest in this paper is the behavior of owner-managers in small firms. Accordingly, a key factor in the creation and implementation of strategy in small businesses is the determining influence of the owner-manager's values (Olson & Currie, 1992). Boytazis (1982) argues that the characteristics which lead to competence consists of one's motives, traits, aspects of the role of a person's self-image or social skills, and knowledge are used. So the role of entrepreneurial behaviour attributes will be determined by the competence, competence will act as mediating the relationship attributes with entrepreneurial behaviour. Herron and Robinson (1993) argue that the experience of employers, training, education, family background and other

demographic variables are considered as factors affecting entrepreneurial competencies. This indicates the existence of a relationship between entrepreneurial characteristics and competencies of the company.

Entrepreneurial competencies influence significantly to business success (Man et al., 2002), Ahmad et al. (2010) argues that entrepreneurial competencies as a predictor of business success SMEs in Malaysia, even its influence more strongly for stable environmental conditions as well as dynamically. The capabilities and characteristics of the personality of those who manage companies universally regarded as one of the most powerful factors have a positive or negative impact on performance.

Methodological Perspectives

This study adopted quasi-experimental design using a survey method. The target populations of this study are the 10 selected food and beverage manufacturing SMEs in Rivers State. While the accessible population are 309 sales management staff of the selected food and beverage manufacturing SMEs was sampled for the study. The Taro-Yamane sample size determination formula was used to determine the sample size to be used for this study. A sample size of one hundred and seventy four (174) was ascertained.

A total of 174 copies of the questionnaire were administered to the respondents, and after retrieval and data cleaning, one hundred and fifty-five (155) copies were used for analysis. The Mean and standard deviation was used to answer the research questions while, Kendall-Tau Correlation was used to analyze hypotheses formulated with the aid of Statistical Package for Social Sciences (SPSS). In this study, Entrepreneurial Marketing Competence Development is our independent variable with its dimension as opportunity competence and relationship competence, while our dependent variable is sales performance which with its measure as sales turnover. The collected raw data were tabulated and evaluated with the application of the 5-point Likert scale (Walton, 1975).

Analysis and Results

The study data was analyzed based on its aim, to examine if there is a significant relationship between these dimensions of Entrepreneurial Marketing Competence Development and the measures of sales performance, and the variation of such relationship. The data from the analysis is showed below -while conclusion was made based on the findings.

Table 1: Mean and Standard Deviation of Responses on Opportunity Competence Items

S/No	Items	Mean	Std. Deviation	Variance
1	We have the ability to identify variety of food customers want	3.3671	1.13487	1.288
2	Ability to perceive unmet customers' needs	3.7479	1.02551	1.052
3	Ability to seize available business opportunities to increase p	3.8137	1.02084	1.042
	Tangibility	3.6429	1.06041	1.127

Source: Computer Result 2021

Opportunity competence was measured using three questionnaire items which were developed on a five point Likert scale. The item labels are shown above. The mean of the three items was calculated to obtain the overall mean response on the opportunity competence construct. The overall mean response on the items (3.64) shows that the opportunity competence of the food and beverage manufacturing SMEs is judged good. This implies that opportunity competence contributes to sales performance.

Table 2: Mean and Standard Deviation of Responses on Relationship Competence Items

S/No	Items	Mean	Std. Deviation	Variance
4	Develop long -term trusting relationships with customers, staff	3.515	1.0377	1.077
5	Ability to negotiate with customers and staff	3.946	.9750	.951
6	We can maintain a personal network of contacts and customers	3.840	.9921	.984
	Relationship Competence	3.767	.7512	1.004

Source: Computer Result 2021

Relationship competence was measured using three questionnaire items which were developed on a five point Likert scale. The item labels are shown above. The mean of the three items was calculated to obtain the overall mean response on the relationship competence construct. The overall mean response on the items (3.77) shows that the relationship competence of the food and beverage manufacturing SMEs is judged good. This implies that relationship competence contributes to sales performance.

Table 3: Mean and Standard Deviation of Responses on Sales Turnover Items

S/No	Items	Mean	Std. Deviation	Variance
1	We have the cognitive ability to reduce costs without affecting quality in order to improve our sales	3.707	1.0096	1.019
2	We have the ability to analyze the industry trends that drive prices down to beat our competitors	3.621	1.0872	1.182
3	The evidence of our sales turnover is seen in our core competence to identifying great opportunities	3.513	1.2108	1.466
	Sales Turnover	3.6137	1.10253	1.222

Source: Computer Result 2021

Sales turnover was measured using three questionnaire items which were developed on a five point Likert scale. The item labels are shown above. The mean of the three items was calculated to obtain the overall mean response on the sales turnover construct. The overall mean response on the items (3.61) shows that the sale turnover of the food and beverage manufacturing SMEs is judged good.

Hypotheses Testing

Ho₁: There is no significant relationship between opportunity competence and sales turnover of food and beverages manufacturing SMEs in Rivers State

Table 4: Kendall Correlation between opportunity competence and sales turnover of food and beverages manufacturing SMEs in Rivers State

Correlations			Opportunity Competence	Sales Turnover
Kendall's tau_b	Opportunity Competence	Correlation Coefficient	1.000	.761**
		Sig. (2-tailed)	.	.000
		N	155	155
	Sales Turnover	Correlation Coefficient	.761**	1.000
		Sig. (2-tailed)	.000	.
		N	155	155

**). Correlation is significant at the 0.01 level (2-tailed).

From table 4, the correlation coefficient ($r = 0.761$) between opportunity competence and sales turnover of food and beverages manufacturing SMEs is strong and positive. The coefficient of determination ($r^2 = 0.579$) indicates that 57.9% change in sales turnover can be explained by opportunity competence. The significant value of 0.000 ($p < 0.01$) reveals a significant relationship. Based on that, the null hypothesis was rejected. Therefore, there is a significant relationship between opportunity competence and sales turnover of food and beverages manufacturing SMEs in Rivers State.

H₀: There is no significant relationship between relationship competence and sales turnover of food and beverages manufacturing SMEs in Rivers State.

Table 5: Kendall Correlation between relationship competence and sales turnover of food and beverages manufacturing SMEs in Rivers State

Correlations			Relationship Competence	Sales Turnover
Kendall's tau_b	Opportunity Competence	Correlation Coefficient	1.000	.882**
		Sig. (2-tailed)	.	.000
		N	155	155
	Sales Turnover	Correlation Coefficient	.882**	1.000
		Sig. (2-tailed)	.000	.
		N	155	155

**). Correlation is significant at the 0.01 level (2-tailed).

From table 5, the correlation coefficient ($r = 0.882$) between relationship competence and sales turnover of food and beverages manufacturing SMEs is strong and positive. The coefficient of determination ($r^2 = 0.778$) indicates that 77.8% change in sales turnover can be explained by relationship competence. The significant value of 0.000 ($p < 0.01$) reveals a significant relationship. Based on that, the null hypothesis was rejected. Therefore, there is a significant relationship between relationship competence and sales turnover of food and beverages manufacturing SMEs in Rivers State.

Discussion of Findings

Testing the null hypothesis one at a 0.01 significant level and a degree of freedom of $n-2$, the correlation (r) value of 0.76 (76%); revealed that there is a significant relationship between opportunity competence and sales turnover. The implication is that when entrepreneurial marketers are enhanced with identifying opportunity, their sales turnover tends to increase. Supportively, McClelland (1987) finds 'to see and act on opportunities' as one of the competencies for successful entrepreneurs. Chandler and Jansen (1992) suggested that one of the most important entrepreneurial roles is the ability to recognize and envision taking advantage of opportunities. This category of competencies comprises of the entrepreneurial activities in spotting opportunities, actively seeking new opportunities, and developing the opportunities.

The null hypothesis two was tested statistically at a 0.01 significant level and a degree of freedom of $n-2$, the correlation (r) value of 0.88 (88%), revealed that there is a significant relationship linking relationship competence and sales turnover. The consequence of this is that a good relationship with the customers will enhance sales performance of the firm in terms of making more profit, improve market share and increase in sales growth. Bird (1995) described this relationship building activities as entrepreneurial bonding, which includes not only the creation of relationship, but also their structuring of relationships as the firm grows.

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EFFECT OF TRANSACTION COSTS OF CONTRACTORS ON CONSTRUCTION PROJECTS' PROCUREMENT IN TERTIARY INSTITUTIONS IN NORTH-WEST NIGERIA

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ABSTRACT

The tendering process and the costs involved have brought misconception between government and contractors, and constitute huge economic drain in the construction business. This study aim at determining the impact of transaction costs of contractors on public sectors construction projects procurement. It examines the various sources of transaction costs embedded in the Public Procurement Act 2007 that influence the costs of bidding Public Projects. A cross-sectional survey approached, was deployed, involving questionnaire survey administered to construction firms chief executive officers (CEO) and projects managers through quota sampling techniques from the study area. This comprises 78 CEOs and 65 project managers across North-West, Nigeria. Descriptive analysis and structural equation modeling (SEM) were used to analyses the data collected. The results from the analysis revealed twenty-six (26) major sources of transaction costs embedded in PPA 2007 which were further categorized into three groups; eligibility documents costs, contract administration costs, and costs associated with method of possession of the documents. The result reveals that the transaction costs of contractors in bidding public construction projects on average is 8.21% of contract sum after validating the model with real life data, due to influence of those sources of transaction costs in the PPA 2007. The findings have practical implication on construction business practice due to their robust empirical nature and theoretical model, which might guide industry practitioners on their probable costs of bidding public projects. The study recommends that the strategies and mechanism enumerated should be deployed to reduce contractor's transaction costs of bidding.

Keywords: Construction projects; Eligibility documents; Public procurement Act 2007; PLS-SEM, Transaction costs theory

INTRODUCTION

Economic and research expert include the construction industry as part of the sectors that provide essential human needs as well as shelters that enhance economic development in a nation (Anaman & Osei-Amponsah, 2007; Adeyemi & Kashiwagi, 2014; Kenny, 2007; Tominiyi, Wolemi, Ibi, Aluju & Olaniwun, 2015). It basically contributes towards the progress of a nation the Gross Domestic Product (GDP) (NBS, 2015). Consequently, sectors such as health, environment, education and safety have benefited immensely with it output and process, that leads to significant changes in the area (Bayliss, 2004). Such positive results can be identified in education, manufacturing, agriculture, telecommunication, real estate transaction among others (Dalrymple, Lionel & Warren, 2006; Adinyira, Fugar & Osei, 2011; Tominiy *et al.*, 2015).

These positive impacts can be demonstrated in the Australia housing and renovation projects, which contributed almost \$64 billion to the economy, accounting for 5.3% of the Australian GDP in 2002 (HIA Economic Group, 2010). This assertion is in line with Wiley (2012), who reported that housing projects in Philippines contributed towards the progress of a nation economy. According to the National Bureau of Statistic (NBS, 2015), the sector activities contributed about 2.13% in 2011 and 2.88% in 2012 to the country GDP. These improvements have motivated local and international investors to invest their money in construction activities such as real estate, education and health care facilities (Yahaya, 2021).

However, this progression and improvement can only be achieved where there is a proper and standard governance and perfect law in operation. The sector has been accused as a tunnel for siphoning public funds due to huge amount that flows in for capital infrastructure (Onyema, 2011; Ayangade, Wahab & Alake, 2009). Nigeria as a developing nation it's construction industry is being faced with various challenges. These included lack of fiscal transparency and public accountability, in addition to inadequacy of resources for public infrastructures. This gave birth to several irregularities which resulted in frequent projects failure.

A major head way to these challenges was setting up the Budget Monitoring and Price Intelligent Unit (BMPIU) by the presidency. The BMPIU was a stop-gap due process measure aimed at due diligence in government procurements and awards so as to facilitate fair deals for the government through price monitoring. Thus, it leads to the enactment of the Public Procurement Act (PPA, 2007) in the year 2007 by the then president as part of the majors to safeguards the nation resources and align to the global best practices (Olusola, Oluwatosin & Agboola, 2016).

On the other hand, Federal contractors, service providers (FCSP), and researchers (Onyema, 2011; Jibrin, Ejura & Augustine, 2014) has identified shortcomings and organizational weaknesses

inherent in the country's procurement system. These includes the transaction costs incurred with participation in the tender processes by contractors, non- availability of trained procurement officer, less compliance with the Act by many government organizations, lengthy period of procurement processes before award (Dadzie, 2015; Omagobon, 2016; Shwarka & Anigbogu, 2012). Others are absence of the National Council on Public Procurement and the deployment of E-Procurement system as contained in the Act (Jacob, 2010; Onyema, 2011; Jibrin *et al.*, 2014)

The empirical debate posits that despite its shortcomings, the PPA 2007 has reduce corruption in the construction industry, improve the country GDP, Annual savings of about N26-N86 billion ministry (Onyema, 2011; Olusola et.al, 2016; Bureau of Public Procurement BPP, 2019). It contributes to effective management and value for money of public funds, competition, transparency, project prioritization and synchronization. However, contracting business using the PPA 2007 has costs. These costs include expenses linked to tender documents, contract administration, project management, securing necessary documents and other subtle costs such as yearly renewal of the eligibility and tender documents by contracting firms. Studies have shown that the PPA 2007 in-use in Nigeria is capable of increasing costs of construction project procurement (Muhammad, Adamu & Ladi, 2015). This could be attributed to the demands for such bidding documents and other requirements attached in bidding public projects which affects the cost of projects and participation of contracting firms (Rajeh, 2014; Hughes, 2016, Li, Arditi & Wang, 2013).

In view of the foregoing, the problem this study aspires to solve is concerned with determining the impact of transaction costs of contractors on construction projects procurement in public sector, with a view to mapping out the entering strategy and operation purpose for new contracting firms in North-West, Nigeria. The remaining sections of this paper are divided into; literature review, methodology, results/findings, discussion of findings and conclusions end this study.

Literature Review

Conceptual Definition

Transaction Costs Concept

Transactions forms the basis of economic thinking in the field of marketing (Commons, 2001) However, it is generally supposed that Roland Coase introduced the phrase "transaction cost" when he used it in formulating a theoretical framework for determining when specific economic tasks would be performed by both the firm and the market. However, the term did not appear in his works till the 1970s. Though he is not the originator of the specific phrase, Coase discussed the "costs of using the price mechanism" in his 1937 paper, *The Nature of the Firm*, thus introducing the concept (Jacobides, 2008).

Coase tested the phrase by exploring pricing mechanism to identified some products and found that there are related costs for searching, negotiating and making a contract (Coase 1992, Coase 1988, Coase 1960). But according to other scholars Hardt (2009), it is Scitovsky (1940) who introduced the term 'transaction cost' into the economic vocabulary in his write ups. It is obvious that Transaction Cost Economics long pre-existed its introduction into research in economics. It has lived very long as a discipline of science, but with little emphasis on it. That account of TCE theory to have started with Oliver Williamson in the 1970s. It was in his 1979 paper (Transaction cost economics: the governance of contractual relations) that the term "Transaction Cost Economics" was first mentioned.

TCs that occur within an organization can include managing and monitoring personnel and procuring inputs and capital equipment. On the other hand, when firms buy the same good or service from an external provider, the TCs may include the costs of source selection, contract management, performance measurement, and dispute resolution.

Public Sector Organization

Public sector procurement is governed by the public procurement rules, (Jeng, 2016; Onyema, 2011; Jibrin *et al.*, 2014) and Lynch (2013) elucidated that in most countries, there is a law that governs the procurement of goods, services and works with public funds (Musanzikwa, 2013; Omagobon, 2016). These rules set the basis for managing procurement and the various methods permitted under different circumstances. Public procurement must also adhere to certain principles. The process should be open to public scrutiny, depending on the procurement method used, and any confidentiality agreement stemming from the particular procurement method used. Sometimes, the procurement law is comprehensive, with high level of details; sometimes it covers only the fundamentals, leaving the details for further development in procurement regulations, guidelines and manuals (institutional frameworks), which should expanded on but not contravene the public procurement law (Lynch, 2013).

Public Procurement Act (PPA) 2007

Since independence of Nigeria in 1960, the country has been experiencing a high degree of mismanagement of resources particularly in the area of public procurement. There have been existing open abuses to rules and standards in the award and execution of public contracts in Nigeria (Yahaya, Oyediran & Onukwube, 2019; Olusola et.al, 2016; Onyema, 2011; Shwarka and Anigbogu, 2012).

This resulted in a high level of corruption and enormous wastage of public resources, lack of transparency, accountability, fairness and openness. The situation made foreign and even local investors to lose confidence in the Nigerian economy. It must be noted that the prevailing high level of corruption was closely linked up with the public sector procurement systems and considering that about ten percent of the gross domestic product (GDP) must pass through the procurement systems. It then became imperative that the public procurement systems must be reformed if Nigeria must achieve economic growth and developmental strides in this new millennium (Fayomi, 2013).

It was in the light of the above that President Olusegun Obasanjo on assumption of office, in 1999 sought for and obtained the World Bank assistance to undertake a study of the existing procurement and financial systems in Nigeria. The outcome was the proposal submitted by the World Bank to Mr. President in 1999 that was tagged the "Country Procurement Assessment Report" (CPAR) which indicated the need for reform of the procurement law based on the United Nations Commission on International Trade Law (UNCITRAL) which has proven effective in a number of countries in the developed world, even in Lithuania, Estonia and Tanzania.

It is on the background above that Obasanjo administration reformed the public procurement system in Nigeria. He introduced new procurement system called "Due Process" Policy in 2001 that is transparent, efficient, and effective and which delivers value for money in public finance budgeting and expenditure. This reform constitutes a major landmark in the contemporary Nigeria which is a deliberate departure from the previous administrations in the country.

The "Due Process Policy" was introduced into the nation's procurement system via Treasury Circular by the Federal Ministry of Finance No, TRY/F15775 of 27 June, 2001 Federal Republic of Nigeria, (2002). It was passed into an Act under the President Umaru Musa Yar'Adua administration which is now called "Public Procurement Act" 2007. It is important to note at this juncture that the PPA 2007 contains 13 parts, 61 sections, and 43 page piece of legislation properly cited as the Public Procurement Act No. 14 of 2007 with a commencement date of 4 June, 2007 (Yahaya, 2021).

Table 2.2: Methods of procurement based on Threshold figure

Procurement Methods and Pre-qualification	Goods	Works	Non-Consultant Services	Consultant Services
International/National competitive bidding (ICB/NCB)	N100million and above	N1billion and above	N100million and above	Not applicable
National competitive bidding (NCB)	N2.5million and above but less than N100million	N2.5million and above but less than N1billion	N2.5million and above but less than N100million	Not applicable
National Shopping (Market Survey)	Less than N2.5 million	Less than N2.5million	Less than N2.5million	Not applicable
Single source/Direct contracting	Less than N0.25million	Less than N0.25million	Less than N0.25million	Less than N0.25million

Source: Bureau of Public Procurement training manual (2017), pp.35

2.2 Theoretical Review

Irrespective of professional background, transaction costs of contractors in bidding construction projects framework can be adjusted and be applied by professionals in construction industry. Professionals need only to adjust it to their individual professional views and at the same time discards irrelevant information not in tandem with their professional views (Ishiyaku, 2017).

This justified the incorporation of several transaction measurement frameworks in this review to enable development of comprehension process framework that can solve the problem of this study. Lv, Lui and Wang (2012) try to establish, at every stage, between observable and unobservable transaction costs framework to evaluate transaction costs of economy growth in China. The framework was categorized into two phases of varying activities and expected results. The observable transaction costs (TCs) are national transaction service costs and enterprise transaction costs. Unobservable TCs are family search costs, intermediate input costs and transaction medium department costs.

This framework used by Lv et al., (2012) was adopted from Miao and Chen (2002). The framework measure transaction costs of national economic growth from 1978 to 2000, it considered TCs based on macro economic variables. Therefore, the study cannot fully be implemented as an estimating model in Nigeria for determining contractors TCs due to level of the measurement, variables included, location and sector of the economy.

2.3 Theory Underpinning the Study

Theory	Theory Proponents	Theory postulate	Application to the study
Transaction costs Economics Theory	Commons (1931), Coase (1937), Williamson (1985)	Postulates that behind every transaction there are many expenses (pricing mechanism), that are incurred which are not part of the product thus, influencing the use of market or in-house to purchase the product. Agency theory is directed at the	The high expenses incurred by contracting firms are believed to have resulted from the pricing mechanism inefficient enough to have resulted in high construction cost. This perhaps includes costs of drafting, negotiating and enforcing an agreement, costs of governance and bonding requirement, costs of acquiring information, legal costs, organizational costs, and professional costs, administering the contract and bids documents preparations. Thus an evaluation of these factors/sources is required to clearly reveal the magnitude and sizes of their effect on construction firm cost.

The application of the Transaction costs economic theory in this study has revealed the costs of drafting, negotiating, enforcement and also the costs of governance and bonding to secure commitments in the public sector organizations in Nigeria

2.4 Conceptual Review

The Conceptual Framework for this study was drawn from the combination of the frameworks reviewed. The theory underpinning this conceptual framework was based on the economic theory of transaction costs. The theory means that there were expenses linked to the search for the appropriate

prices, the negotiation and the conclusion of agreements. In fact, market members must pay the cost of those items which are not part of the agreement to be concluded. This conceptual framework evaluated procurement guides on the basis of the fundamental principles, organisation of procurement, method and surveillance of procurement in the PPA 2007 and TCs sources, addressing documents, administration and contracting costs. It assesses the contracting company as technical employees for profit retention, competition, growth and efficiency. Strategies have been considered as in proactive and reactive measure.

The equation of the model has the following structure with equation (1) as the general equation derived from the conceptual framework.

$$TC=f(PG+STC+CB+STG\ error1.....)(1)$$

3.0 Methodology

3.1 Data and Definition of Variables

The structural equation modeling (SEM-PLS) is used in this study for result analysis, with a special attention on all registered contractors on the national database of Bureau of Public Procurement (BPP) that are classified and categorized in the first batch exercise by BPP. The database as at April, 2018 have a total population of **93** contractors that carried out different category of works in those classes (A,B,C,D&E), and **50** contractors that carried out supplies of goods of various kinds. Making a total population for the study of **143** contractors. The list was found at the following link www.bpp.gov.ng/registration-federal-contractors-and-services-providers. The study employed quota techniques by dividing the target population equally to states. This is achieved by dividing the population of 143 by the number of stratum (states in the North-West geopolitical zones).

3.1.1 Sources of Transaction Costs

Sources of transaction costs comprise eligibility documents, bidding expenses and contract administration. Eligibility documents are those documents which pre-qualified contracting firm to bid for any public project (PPA, 2007). Contract administration are the activities performed by the contracting firm at pre and post contract stages such as monitoring, claims/variations, dispute resolution and while engaging professional services in the project for smooth execution (Rajeh, 2014; Bajari & Tadelis, 2001).

3.1.2 Contracting Business

Contracting business **variables include** professional staff, retained profit, competition, growth and performance levels. Strategies for minimizing TCs were assessed at proactive and reactive levels. This is in response to Dadzie (2015) view, devising strategies to reduce TCs is important in as much as budget proportion should not be affected. Therefore researcher should focus on mechanism that will mediate transaction costs in tendering based on experience they have in the industry (Melese & Franck, 2005).

3.2 Model Specification

Partial least squares structural equation modelling (PLS-SEM) is a variance based second generation multivariate statistical tool used in establishing structural relationship between exogenous (the arrow coming from the construct) latent constructs and endogenous (the arrow entering a construct) latent constructs. In order to establish the relationship between the research constructs and to test the hypotheses of the research, the partial least squares structural equation modelling is employed. In using PLS-SEM, two stage evaluation criteria are used.

$$TC = f(PG + STC + CB + STG \text{ error1} \dots \dots \dots (1)$$

$$BTCC = \beta_0 + \beta_1 * EDC + \beta_2 * SRD + \beta_3 * CAC + e \dots \dots \dots (2)$$

Where:

e = Error term (with $\mu = \text{mean}$, zero and constant variance);

β_0 = the intercept term;

β_{ij} = The coefficients of the explanatory variables ($i = 1, 2 \dots 5$); $j = 0$

4.0 Results and Discussion

4.1 Descriptive Statistics

The descriptive statistics of the variables are summarized in Table 1. The results reveal that such documents affect contractors transaction costs (TCs) in different nature. This to include one-off, related to contract sum, company share, annual turnover and arbitrary costs Table 4.0. The result in table 4.0 revealed that majority of the respondents (contracting firms) agreed that pension certificate (PenCom) social insurance (NSITF) and industrial training (ITF) certificates are transaction costs associated with one-off costs. It accounted for about 70.48%, 62.86% and 70.48% responses from the result analyzed. Similarly, Ninety seven out of 105 accounting 92.38% believed that tax clearance document costs is related to annual company turnover, while only 5% responses and below relates it to other form of TCs nature. But, financial reporting council (FRCN) is related to one-off costs as it accounted about 52.38%, responses with fewer respondents of 6% only relating it to contract sum.

Type of Documents	Percentage (%)		TCs related to contract sum		Percentage (%)		TCs related to company share		Percentage (%)		TCs related to annual turnover		Percentage (%)		TCs arbitrary		Percentage (%)		Total Responses		% Cumulative	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
Co-oporate affairs Certificate (CAC)	48	45.71	1	0.95	55	52.38	1	0.95	0	0	105	100.00										
Tax Clearance Certificate (TCC)	5	4.76	0	0.00	1	0.95	97	92.38	2	2	105	100.00										
Pension employee Certificate	74	70.48	3	2.86	3	2.86	2	1.90	23	22	105	100.00										
National Social Insurance Trust Fund (NSITF)	66	62.86	3	2.86	2	1.90	4	3.81	30	29	105	100.00										
Industrial Training Fund (ITF)	74	70.48	3	2.86	3	2.86	10	9.52	15	14	105	100.00										
Interim Registration Report (IRR)	53	50.48	1	0.95	3	2.86	3	2.86	45	43	105	100.00										
Financial Reporting Council (FRCN)	55	52.38	6	5.71	8	7.62	26	24.76	10	10	105	100.00										
Security control unit against money laundering (SCUML)	52	49.52	4	3.81	6	5.71	7	6.67	36	34	105	100.00										
Court Affidavit	1	0.95	6	5.71	9	8.57	0	0.00	89	85	105	100.00										
Bank Reference	2	1.90	27	25.71	11	10.48	31	29.52	34	32	105	100.00										
CAC Annual return	12	11.43	23	21.90	58	55.24	7	6.67	5	5	105	100.00										

Source: Field Survey, 2019

4.2 Partial Least Square Structural Equation Modeling (PLS-SEM)

The hypothesized model in this study Figure 2.4 and 4.1 has four direct hypotheses: (1) eligibility documents to bidding transaction costs, (2) procurement guide to bidding transaction costs, (3) contract administration to bidding transaction costs, (4) securing related documents to bidding transaction costs.

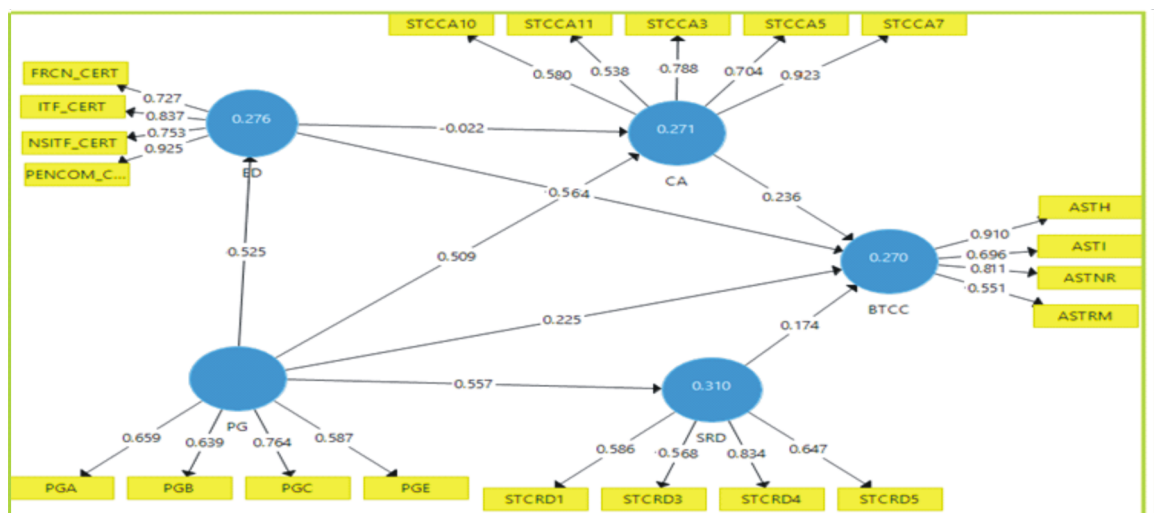


Figure 4.1: Transaction costs of bidding model

The path coefficient in PLS-SEM is similar to the regression analysis and standardized beta coefficient (β) (Henseler, Ringle & Sinkovic, 2009). The significance of the hypothesis is tested by calculating the t -value of every path on the model, as shown in Figure 4.1. H5a hypothesized that contract administration costs has significant contribution to the transaction costs of contractors bidding (BTCC).

The findings in Table 4.2 and Figure 4.2 confirm the significant relationship ($\beta = 0.243$; $T = 1.976$; $p = 0.021$). Therefore, H5a is supported. That the eligibility documents costs has a significance contribution to the transaction costs of contractors' bidding was hypothesized in H5b. The result substantiates the hypothesis ($\beta = -0.449$, $T = 6.151$, $p = 0.005$).

Method of securing related document H5c was also predicted to contribute toward the transaction costs of contractors ($\beta = 0.158$; $T = 9.294$, $p = 0.000$), hence, H5c is supported. But, H5d has shown that procurement guides does not contribute towards contractors transaction costs ($\beta = 0.198$; $T = 1.060$; $p = 0.289$).

Table 4.2: Parameter Estimate for final structural model of transaction costs of bidding

Paths	Beta Value (β)	Standard Error (SE)	Standard Deviation (STDEV)	T Statistics ($ \beta /STDEV$)	Decision
CA -> BTCC	0.243	0.123	1.976	0.021	SS
ED -> BTCC	-0.449	0.073	6.151	0.005	SS
ED -> CA	0.004	0.136	0.032	0.974	NS
PG -> BTCC	0.198	0.187	1.060	0.289	NS
PG -> CA	0.521	0.202	2.579	0.015	SS
PG -> ED	-0.489	0.080	6.096	0.000	SS
PG -> SRD	0.557	0.049	11.285	0.000	SS
SRD -> BTCC	0.158	0.017	9.294	0.000	SS

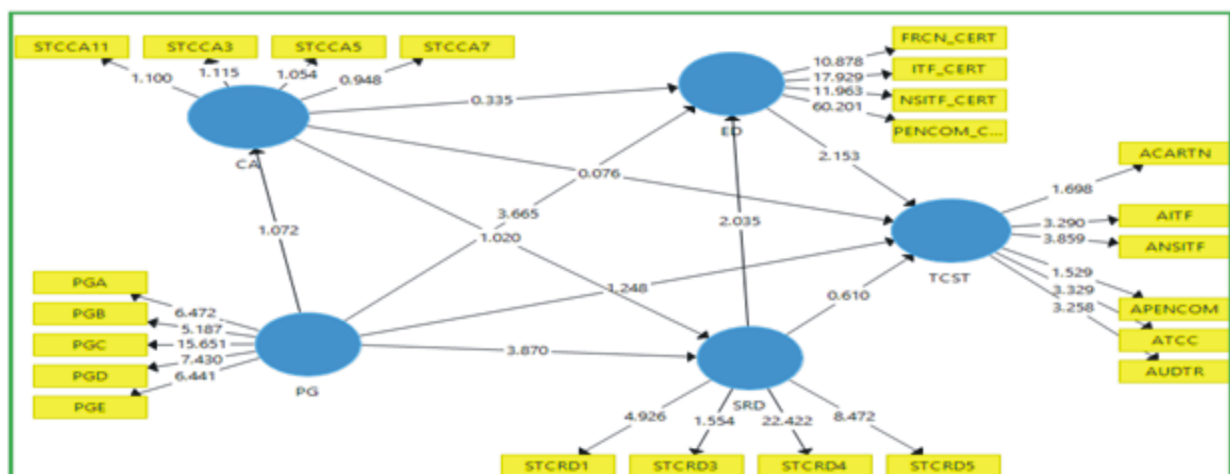


Figure 4.2: Transaction costs of bidding model T-statistics

In addition, Table 4.3 show the result for the models fitness indicating the SRMR, d_G , d_{ULS} , and the NFI (normal fit index) with their corresponding HI95 percentile bootstrap confidence interval (HI95) based on 999 bootstrap samples and acceptable level for NFI of >0.9 (Forze & Filippini, 1998; Henseler, et al., 2016; Awang, 2014; Ishiyaku et al., 2017).

The geodesic discrepancy (d_G) between the empirical correlation matrix and the implied correlation matrix of the saturated model (i.e. a model in which all constructs are allowed to covary) is ranges between 0.796 to 0.819 and lies below its corresponding HI95 value of 1.104.

Consequently, the implied correlation matrix does not differ significantly (1 percent level) from the empirical correlation matrix. Also, the SRMR also ranges from 0.123 to 0.124 $<$ HI95 and NFI >0.9 Table 4.3.

This provides evidence for an acceptable model fit (Hu and Bentler, 1999). We can thus conclude that the measurement model provides an adequate explanation of the covariation in the data and can be used to predict the linear regression model as shown in equation (5.0-5.3) below.

Table 4.3: Overall Goodness of Fit (GoF) Assessment for the predictive model

Fit Indices	Saturated Model	Estimated Model	HI95
SRMR	0.123	0.124	1.023
d_{ULS}	3.193	3.206	3.410
d_G	0.796	0.819	1.104
NFI	0.988	0.977	>0.9

Source: Field Survey 2019

The structural model Figure 4.1 depicted the coefficient of determination (R^2) value of 0.270. This provides information on the amount of BTCC variance explained or predicted by the research exogenous constructs. The model revealed that 27.0 percent of BTCC variance is explained by the research exogenous constructs. In other words, ED, CA SRD, and PG jointly determined, explained or predicted about 27.0 percent of the variance in BTCC.

From Table 4.2, the linear regression equation models developed to predict the estimate of costs for bidding construction projects of various types are:

$$EDC_i = \beta_0 + 0.925 * PENCOM + 0.753 * NSITF + 0.837 * ITF + 0.727 * FRCN \quad (4.1)$$

$$CAC_i = \beta_0 + 0.580 * STCCA_{10} + 0.538 * STCCA_{11} + 0.788 * STCCA_3 + 0.704 * STCCA_5 + 0.923 * STCCA_7 \quad (4.2)$$

$$SRD_i = \beta_0 + 0.586 * STCRD_1 + 0.568 * STCRD_3 + 0.834 * STCRD_4 + 0.647 * STCRD_5 \quad (4.3)$$

While the overall transaction costs of bidding for contractors is:

The overall transaction costs model for bidding construction projects based on the result shown in figure 4.1 and Table 4.2, eligibility documents cost at ($\beta = -0.449$, $p < 0.005$), contract administration costs at ($\beta = 0.243 < 0.021$) and securing required documents at ($\beta = 0.158$, $p < 0.006$) significantly predict the transaction costs model for bidding

$$\text{The overall model BTCC} = \beta_0 + \beta_1 * \text{EDC} + \beta_2 * \text{SRD} + \beta_3 * \text{CAC} + e \quad (5.4)$$

Where:

BTCC= bidding transaction costs of construction

β_0 = the intercept term;

β_{ij} = The coefficients of the explanatory variables ($i = 1, 2, \dots, 5$); $j = 0$

EDC = Eligibility documents costs (Financial Regulation Council of Nigeria, Industrial Training Fund, National Social Insurance Trust Fund, National Pension Commission Contribution Fund)

CAC = Contract administration costs (Time it takes to negotiate, Interest rate on loan for projects, Cost incurred annually in bidding, Average No. of public projects bid in a year)

SRD = Securing related documents (Method used in obtaining documents, Time it takes to obtain the documents Process of obtaining the documents, Sources of information on bidding)

e = Error term (with jj = mean, zero and constant variance);

5. Conclusion and Recommendation

This study investigated the transaction costs of contractors in construction project procurement in public sector in North-West Nigeria. Premised on the findings of this study, the following conclusions were drawn.

Firstly, there are 26 most common transaction costs identified that are applicable in the construction project procurement in the public sector organizations which can be measured based on time and costs parameters. These 26 TCs were grouped into three categories (1) Eligibility documents costs, (2) Securing related documents and (3) Contract administration.

This three categories eligibility documents costs, securing related documents and contract administration are those TCs that mostly affect contracting business in Nigeria. Transaction costs (TCs) of contractors when bidding for construction projects affect his ability to expand his firm opportunities in terms of staffing, operating and retained costs due to the negative impact of the TCs. The TCs has a significant impact on contracting business, whereby it forces many contractors to bid within their locality or zones, which reduces competition in the system. As such, incompetent contractors were engage by many MDAs which resulted in cost and time overrun, poor quality work and dissatisfaction to the client. Based on theoretical and practical implications emanating from the study, also to underscore its importance, this study developed a theoretical model for construction

bidding based on TCs. The model is used to investigate and empirically demonstrate the influence of bidding expenses on the magnitude of TCs in construction project bidding. It offers a new plausible explanation for the estimating the transaction costs of contractors when bidding for construction projects in various MDAs under the PPA 2007 Act.

Therefore, it is recommended to setup strategies and mechanisms for mediating contractors TCs when bidding for construction projects in the public sector organization in an effective manner, if contracting business is to be successful in terms of knowledge transfer, technology and micro-economic development of the nation. Finally, the study developed model based on the contractor view point within the PPA 2007. Some concepts from transaction cost economics (TCE) have not translated into variables in the models. Such as client behavior, project management efficiency, uncertainty and asset specificity, these needs further investigation in future.

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ECONOMIC FACTORS AND PRODUCTIVITY OF SELECTED QUOTED CONSUMER GOODS MANUFACTURING COMPANIES IN NIGERIA

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ABSTRACT

Ability of a firm to make efficient use of available resources at its disposal goes a long way to determining its level of productivity. Productivity is decreasing in most Nigerian consumer manufacturing companies. This study assessed the effect of economic factors on productivity of selected quoted consumer goods manufacturing companies in Nigeria. The study made use of cross sectional survey design and the population was 1,551 of twelve (12) quoted consumer goods manufacturing companies in Nigeria. Total enumeration was employed in the study and a structured and validated questionnaire was used for data collection. The Cronbach's alpha ranges between 0.720 and 0.806. The study recorded 90.5% response rate and analysis were carried out using descriptive and inferential statistics (multiple regression). Findings revealed that economic factors had significant effects on productivity (Adj. $R^2 = 0.773$; $F_{(5,441)} = 304.613$, $p = 0.000$). The study concluded that economic factors (importation policy, inflation rate, infrastructural facility, interest rate and exchange rate) had significant effects on productivity of selected quoted consumer goods companies in Nigeria. It recommended that quoted consumer goods companies' managers of selected quoted consumer goods manufacturing companies should be proactive enough through thinking ahead of the negative impacts of these economic factors to be able to improve on their productivity.

INTRODUCTION

Consumer goods manufacturing industry managers find it challenging and difficult in constantly and continuously accomplishing targeted business performance indicators, most especially productivity resulting from global economic activities, unstable economic factors and open market competition challenges that are characterized with the consumer goods manufacturing industry. These challenges have created high volatile trends and deterioration in business performance indicators, thus, capture the focus of academia and professionals in strategic management to assess the causes of volatility and deterioration in consumer goods industry productivity.

Deloitte Report (2020) found that the level of decrease in overall productivity of consumer goods firms cut across different climes including developed economies. In emerging economies like China, Singapore, and Malaysia, consumer goods companies such as food and beverages companies have

been reporting decrease in productivity due to global competition and open market policies in China and Singapore (Deloitte Report, 2020). Just like other developing countries in Africa, Nigeria consumer goods manufacturing industry has long been associated with substantial gaps in port, road, poor access to foreign exchange poor power infrastructure, high cost of manufacturing processes, double digit interest rate and double taxation from different government agencies which increase the cost of distribution and investment, and thus cause the rundown of performance indicators most especially productivity (Adamade & Gunu, 2013; Afolabi & Lasehinde, 2019; Manufacturing Association of Nigeria (henceforth MAN), 2019; MAN, 2021).

Also, Afolabi et al. (2019) and Ojeleye, Opusunju, and Abdullahi (2020) have identified socioeconomic and infrastructural gaps along with underutilization of capacities including inefficiencies in corporate management as the cause of the decline in productivity in the manufacturing sector, and as such, advocated for more studies in this area. Most studies that have been carried out in this area made use of secondary data, qualitative in nature and measured the financial side of performance of the manufacturing sector (Adamade, 2013; Afolabi et al., 2019). It is based on these identified negative developments and background challenges and gap that this study assessed the effect of economic factors on productivity of quoted selected consumer goods manufacturing companies in Nigeria.

2. Literature Review

2.1. Conceptual Framework

Economic factors

Obeng-Krampah (2018) defined economic factors as the uncontrollable external factors that affect firm performance. Economic factors are factors that surround an organization that determine how it is being run (Davis & Powell, 2012). According to the Institute of Chartered Accountants (ICAN, 2017), economic factors are contextual factors which are capable of determining the operations of the organization. They represent those external forces that are not part of the business units but cannot be disassociated from it. The role of contextual elements especially economic factors in predicting organizational productivity cannot be overlooked (Fosu, Bondzie, & Okyere, 2014).

Nyaruirumugure, Simiyu and Bunde (2017) posit that macroeconomic factors are economic factors that reflect the current position in an economy. For policy makers to manage the economy, they must understand these variables. Macroeconomic policies exhibit similar identities in all climes but the difference manifests in how they are considered in different nations and in what context. The major macroeconomic variables in economics are consumer price index, Money supply, interest rates, balance of payments, trade balance, unemployment, exchange rate, foreign direct investment, foreign aid among others. Changes in any of these variables have widespread effects on the economy, thus getting them right is useful not only in formulating policies to manage the economy but also for growth purposes (Nyaruirumugure *et al.*, 2017). According to Obeng-Krampah (2018), economic factors do help to understand how the economy is working as a whole and also examine the overall fluctuations in the economy such as increase or fall in unemployment and gross domestic product. In this study, economic factors are conceptualized as importation policy, inflation rate, interest rate and infrastructural facility.

Importation Policy

Oloyede and Essi (2017) defined an importation policy as policy determining the position of a nation concerning goods that are imported into a country from another country. While the receiving country is the importer, the sending country is the exporter (Moshen, 2013). Bakari and Mabrouki (2017) posit that importation includes negative trade balance and movement of the imported nation's currency to the exported nation thereby negatively affecting importing country's economy and industrial growth. Importation can be said to be an activity reflecting the inability of a nation to accomplish or produce all it needs/wants internally as a result of which it becomes dependent on outside goods and services.

Inflation Rate

Moheddin (2018) defined inflation rates as an upward swing in prices of goods in an economy in a given period. According to Barakat, Elgazzar, and Hanafy, (2016) the changes in the inflation rate could either be upward or downward adjustments in price levels in a given period of an economy. Onundu (2016) conceptualized inflation rate to be changes in prices of goods and services directly and significantly affect the purchasing power of money as well as the cost of production in the manufacturing of goods and services. The effects of inflation can be seen from two angles; the effect on the aggregate demand and on the cost of production. According to Shiblee (2009), inflation is an upward movement in the prices of goods which significantly have effect on the purchasing power of a nation's currency and also, the cost of inputs and production in the manufacturing organisations. Inflation has also been defined as a continuous increase in the prices of all goods and services. It is an upward swing in the prices of items in a given period. Increase in the level of prices of goods and services and does happen due to increase or when prices of items soar (Ariss, 2012).

Infrastructural Facility

Infrastructural facility occupies a central position among facilities needed to ensure a country is running perfectly. It is a network of system necessary to actualizing a smooth economy and it includes those facilities and services needed for a smooth running economy (Tuong, Binh, & Hoa, 2019). In terms of infrastructural facility, we talk about roads, railways, bridges, tunnels, water supply, sewers, electrical grids, and telecommunications in addition to internet connectivity and broadband speeds. Above all, they are physical aspects of interconnected systems offering services and goods that are germane for sustainability (Wan & Zhang, 2017).

Interest Rate

Moheddin (2018) defined interest rate to be the proportionate price paid for holding on to a principal amount different from compensation received for saving money. It is the additional excess amount of money paid to a lender for the use of his/her money for a particular period of time. Uche (2012) posited that interest rate is the payment made to a lender by a borrower to compensate for the engagement of a sum of money for certain period of time. Murungi (2014) viewed interest rate to be charges levied for the utilisation of money. This study defines interest rate as additional payments made apart from the principal for the utilization of an amount of money.

Exchange Rate

Exchange rate is how much a nation's currency is worth when being exchanged for another country's currency (Moheddin, 2018). In terms of types of exchange rate-domestic currency and foreign currency. These two can be quoted directly or indirectly. The exchange rate of a currency is its worth when it is being exchanged for another currency. According to **Yang and Zeng (2014)** exchange rate

is the worth of a nation's *currency* in relation to another nation's currency. Osigwe and Uzonwanne (2015) defined exchange rate as the value of/or the ratio at which, foreign currency per unit can exchange to local or domestic currency. Obi, Oniore and Nnadi (2016) posit that exchange rate represents the percentage between a unit of a particular currency and the amount of another currency for which that unit can be exchanged during a certain period of time. Central Bank of Nigeria (CBN) (2016) defined foreign exchange rate as the price for which a national currency is priced for another national currency.

Productivity

Productivity is the percentage of total output compare to employed input or the total inputs utilized during a manufacturing process which means total output in relation to the units of inputs over a period of time (Majiwa, 2017). Productivity occupies a central place when measuring performance in organisations (Majiwa, 2017). It is the ratio of volume that is determined by input and rely on technology and level of efficiency with which the human capacity are engaged during production of goods which calls for good relationship among the agents of production. According to Organization Economic Cooperation and Development (OECD) (2016), productivity is defined as the ratio of a volume measure of output to a volume measure of input. Productivity depends on the efficiency and technologies with which human, physical and natural resources are used in the process of production of goods and services hence sound labour-management partnership that is based on consultation, dialogue and employee-employer collaboration is critical for promoting and sustaining firms' productivity. Productivity and performance are important concepts and measures describing the successfulness of an organization.

Productivity connotes efficient utilization of organizational resources (OECD, 2019). In the organisations, productivity is a measure of an organisation's capability in utilising available inputs in an optimal manner for the purpose of accomplishing maximum output as much as possible. It is common sense that there has to be a relationship between firm performance and productivity. The increase in productivity could lead to better profitability for the firm thanks to decreasing the cost per unit produced.

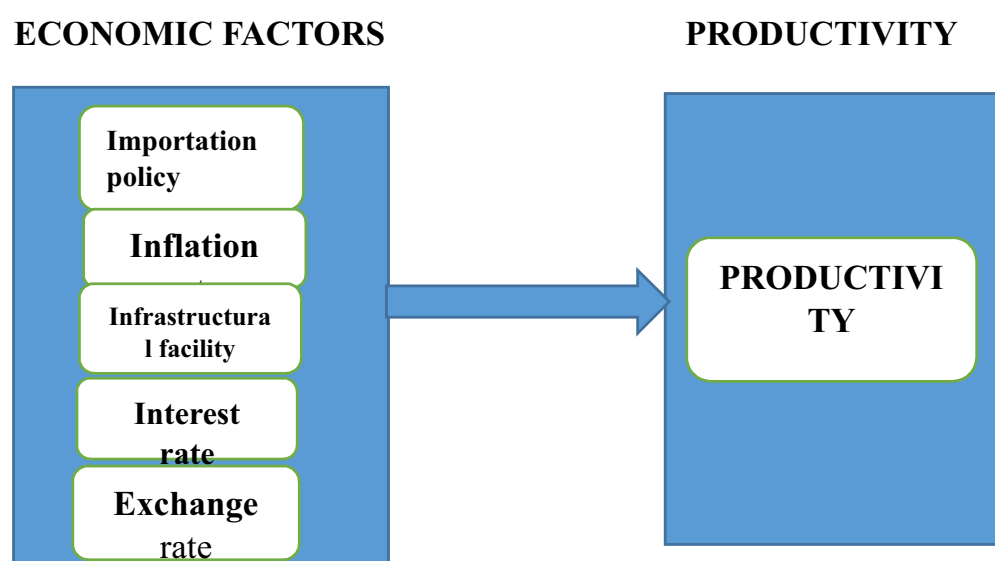
Economic Factors and Productivity

Macroeconomic factors are major determinants of business performance in organisations and businesses have to put them into consideration to be able to survive (Issah & Antwi, 2017). Macroeconomic factors include factors of production and demand all of which one can control and that can be predetermined. Macroeconomic factors equally include variables like corporate tax rates, and employment levels all of which are external and uncontrollable by the organisations (Broadstock, Shu, & Xu, 2011). Studies such as (Ali, Klein, & Rosenfeld, 1992; Barakat, Elgazzar, & Hanafy, 2016; Ibrahim & Aziz, 2003; Kandir, 2008; Kwong, 2016; Kokemuller, 2017; Stock & Watson, 2008) have revealed positive effects of macroeconomic variables on organisational performance in other climes: So many other studies have worked on productivity of manufacturing organisations in Nigeria but have not assessed the effect of economic variables on productivity of consumer goods manufacturing companies in Nigeria (Obi et al. 2016; Ogunbiyi & Ihejirika, 2014; Osigwe & Uzonwanne, 2015; Uche, 2012).

Meanwhile, Ogunbiyi and Ihejirika (2014) found that real interest rate, the highest lending rate and deposit rates negatively and significantly affect profitability of organisations. According to Tan (2012) an organisation's performance can be measured by Tobin's QQ and return on investment

(ROI) using organisation's in the Eastern part of Asia reported negative result in terms of their impact on financial distress when they engaged leverage. In another vein, profitability is negatively and significantly affected using leverage ratio when measured by financial distress in Greek food production organisations. Moreso, the study of Kimathi, Galo and Mellisa reported negative correlation when leverage and firm performance for nonfinancial listed organisations were considered. Additionally, Notta and Vlachvei (2014) demonstrated that profitability is negatively and significantly impacted by leverage ratio (proxy for financial distress) for Greek food manufacturing firms.

Figure 2.1 Conceptual Framework



Researchers' conceptualisation (2021)

2.2. Theoretical Framework

This study adopted Dynamic capabilities theory (DCT) as baseline theory for this study. Developed by Teece, Pisano and Shuen (1997) and defined as a firm's ability to link, construct, and restructure internal and external capabilities to proffer solutions to challenges in a rapidly changing environments. Assumptions of the dynamic capabilities theory state that successful firms do demonstrate timely responsiveness to market dynamics. In order to improve on organisation's productivity, managers must adjust to the vagaries of the market. Market dynamics in this study is represented by economic factors of importation policy, inflation rate, infrastructural facility, interest rate and exchange rate. The theory holds that the manner organisations develop firm specific competencies to respond to the changes (economic factors) in the business environment is ultimately related to the firm's business process, market positions and opportunities as defined by productivity in this study. Dynamic Capabilities Theory captures the uncertainties of the independent variables (economic factors) and the dependent variable (productivity) in this study.

3. Research Methods

3.1 Research Design

The study adopts cross sectional survey design which allowed a structured research instrument in accessing data from respondents. The units of measurement were the top management and functional management staff. Thus, the multi-stage sampling technique was employed since the population of top management and functional Management staff is large and data were analysed using descriptive and inferential (multiple regression analysis) statistics.

3.2 Population of the Study

The study's population comprised of twelve (12) quoted consumer goods manufacturing companies in Nigeria. These consumer goods manufacturing companies were selected based on the fact that they were listed on the Nigerian Stock Exchange (NSE) as at year 2020. The sample size for this study was determined by Cochran (1997) formula and the sample size was 494, increased by 130, or 30% of the total sample which equal 563. This is as recommended by Zikmund (2000).

3.3 Validity and Reliability of Research Instrument

The study equally carried out a pilot study to pre-test the research instrument on 56 consumer goods manufacturing companies' staff (10% of the sample size) which was randomly selected from the sample across fast moving consumer goods manufacturing companies not considered in the study. The companies were Multi-Trex Integrated Foods Plc, Nascon Allied Industries Plc, Nigerian Enamelware Plc, Union Dicon Salt Plc, and Champion Brew Plc and also eleven (11) questionnaires were distributed to each of the selected companies for pilot study. Retrieved questionnaires from the sample was fifty-two (52). After the analysis of the responses, the result of the pilot study showed that the research instrument was reliable, since the Cronbach's alpha of the scale for all the variables was greater than 0.70.

3.4 Model Specification

$$Y = (x_a, x_b, x_c, x_d, x_e) \text{-----i}$$

$$Y = \beta_0 + \beta_1 x_a + \beta_2 x_b + \beta_3 x_c + \beta_4 x_d + \beta_5 x_e + \varepsilon_i \text{-----ii}$$

$$PRO = \beta_0 + \beta_1 IP_i + \beta_2 IR_i + \beta_3 IF_i + \beta_4 INT_i + \beta_5 EXCHR_i + \varepsilon_i \text{-----iii}$$

Where: Y=Productivity (PRO)

X = Economic factors (EF)

$$X = (x_{1a}, x_{1b}, x_{1c}, x_{1d}, x_{1e})$$

And Where:

x_a = Importation policy (IP)

x_b = Inflation rate (IF)

x_c = Infrastructural facility (IF)

x_d = Interest rate (INT)

x_e = Exchange rate (EXCHR)

β_0 = constant of the equation or constant term

β_1 - β_5 = Parameters to be estimated

ε_i = error or stochastic term

4. Results and Interpretation

The study examined the effect of economic factors and productivity of selected quoted consumer goods companies in Nigeria. On a six-point Likert scale, the respondents were requested to rate their perceptions of various items about economic factors and productivity of selected quoted consumer goods companies in Nigeria. These points formed the weights for calculating the score for each item.

Descriptive statistics on productivity is presented in Table 4.1 followed with the analysis and interpretation.

Table 4.1: Descriptive Statistics on Productivity

Statements	Level of Agreement (n=510)							Mean	Std. Deviation
	Very high	High	Moderately high	Moderately low	Low	Very low	Missing	Mean	Std. Deviation
Product market expansion	5.6%	36.5%	33.8%	10.3%	12.1%	1.3%	0.4%	4.07	1.168
Judicious use of raw materials	0.0%	0.0%	0.2%	0.0%	0.0%	0.2%	99.6%	.01	.194
Quick response to mal -function production processes	17.0%	47.2%	15.7%	12.5%	5.4%	1.8%	0.4%	4.50	1.212
Meet customer demand	15.9%	42.7%	19.2%	11.2%	6.7%	3.6%	0.7%	4.36	1.320
Customer services sentivity	21.5%	40.3%	17.2%	10.5%	7.6%	2.2%	0.7%	4.48	1.323
Cheap cost of production	22.8%	41.4%	16.1%	9.4%	7.8%	2.0%	0.4%	4.54	1.302
Satisfying range of clients	23.3%	41.2%	14.3%	11.0%	7.2%	2.7%	0.4%	4.52	1.333
Average								3.78	1.121

Source: Researchers' Field Survey, 2021

Table 4.1 presented the results of descriptive analysis of productivity. The results of the descriptive analysis revealed that 5.6% of the respondents indicated very high to product market expansion, 36.5% of the respondents indicated high, 33.8% indicated moderately high, 10.3% indicated moderately low, 12.1% indicated low while 1.3% indicated very low and 0.4% was missing. On average, the respondents proposed that product market expansion is moderately high (mean = 4.07, STD = 1.168). Further, 0.2% of the respondents indicated moderately high to judicious use of raw materials, 0.2% indicated very low and 99.6% was missing. On average, the respondents proposed that judicious use of raw materials is very low (mean = 0.01, STD = 0.194). Also on quick response to mal-function production processes, 17% indicated very high, 47.2% indicated high, 15.7% indicated moderately high, 12.5% indicated moderately low, 5.4% indicated low and 1.8% indicated very low and 0.4% was missing. On average, the respondents proposed that the quick response to mal-function production processes is moderately high (mean = 4.50, STD = 1.212). Moving on, 15.9% of the respondents indicated very high to meet customer demand, 42.7% indicated high, 19.2% indicated moderately high, 11.2% indicated moderately low, 6.7% indicated low and 3.6% indicated very low and 0.7% was missing. On average, the respondents proposed that meet customer demand is moderately high (mean = 4.36, STD = 1.320).

With regards to customer services sensitivity, 21.5% respondents indicated very high, 40.3% indicated high, 17.2% indicated moderately high, 10.5% indicated moderately low, 7.6% indicated low while 2.2% indicated very low and 0.7% was missing. On average, the respondents proposed that customer services sensitivity is moderately high (mean = 4.48, STD = 1.323). In addition, 22.8% of the respondents indicated very high to cheap cost of production, 41.4% indicated high, 16.1% indicated moderately high, 9.4% indicated moderately low, 7.8% indicated low and 2% indicated very low and 0.4% was missing. On average, the respondents proposed that cheap cost of production is high (mean = 4.54, STD = 1.302).

Finally, 23.3% of the respondents indicated very high to satisfying range of clients, 41.2% indicated high, 14.3% indicated moderately high, 11% indicated moderately low, 7.2% indicated low while 2.7% indicated very low and 0.4% was missing. On average, the respondents proposed that satisfying range of clients is high (mean = 4.52, STD = 1.333). The average score of the statements is 3.78 with a standard deviation of 1.121 which means that on average the respondents opined high with the statements under productivity, with variations in some statements responses as revealed by the grand standard deviation of 1.121 which confirms the divergence in respondents' opinions towards the mean. The findings revealed that economic factors could improve the productivity of selected quoted consumer goods companies in Nigeria.

Economic factors have no significant effect on productivity of selected quoted consumer goods companies in Nigeria.

To test the hypothesis, multiple regression analysis was used. The independent variable was economic factors (interest rate, inflation rate, importation policy, infrastructural facility and exchange rate) while the dependent variable was productivity. In the analysis, data for economic factors were created by adding together responses of all the items under the various components to generate independent scores for each component. For productivity, responses of all items the variable were added together to create index of productivity. The index of productivity (as dependent variable) is thereafter regress on scores (index) of economic factors (as independent variables). The results of the analysis and parameter estimates obtained are presented in Table 4.2

Table 4.2: Summary Results of Multiple Regression Analysis of Productivity on Economic Factors of the selected quoted consumer goods companies in Nigeria

Model	<i>B</i>	<i>T</i>	<i>Sig.</i>	<i>F</i> (5,441)	<i>R</i> ²	Adj. <i>R</i> ²	<i>F</i> (Sig)
(Constant)	-.521	-.731	.465	304.613	0.775	0.773	0.000
Interest Rate	.165	3.127	.002				
Inflation Rate	.206	3.467	.001				
Importation Policy	.219	3.379	.001				
Infrastructural Facility	.245	3.886	.000				
Exchange Rate	.170	2.628	.009				

a. Dependent Variable: Productivity

b. Predictors: (Constant), Interest Rate, Inflation Rate, Importation Policy, Infrastructural Facility, Exchange Rate

Source: Researchers' Field Survey, 2021

Table 4.2 presents the multiple regression results for the effect of economic factors (interest rate, inflation rate, importation policy, infrastructural facility and exchange rate) on productivity of the selected quoted consumer goods companies in Nigeria. The results revealed that interest rate ($\beta = 0.165$, $t = 3.127$, $p = 0.002$), inflation rate ($\beta = 0.206$, $t = 3.267$, $p = 0.001$), importation policy ($\beta = 0.219$, $t = 3.379$, $p = 0.001$), infrastructural facility ($\beta = 0.245$, $t = 3.886$, $p = 0.000$) and exchange rate ($\beta = 0.170$, $t = 2.628$, $p = 0.009$) have positive and significant effects on productivity of the selected quoted consumer goods companies in Nigeria. This implies that interest rate, inflation rate, importation policy, infrastructural facility and exchange rate are significant predictor of productivity of selected quoted consumer goods companies in the study area.

The results further revealed that economic factors (interest rate, inflation rate, importation policy, infrastructural facility and exchange rate) explained 77.3% of the variation in productivity of the selected quoted consumer goods companies ($\text{Adj. } R^2 = 0.773$). However, the model did not explain 22.7% of the variation in productivity of the selected quoted consumer goods companies in Nigeria, implying that there are other factors associated with productivity of the selected quoted consumer goods companies that were not captured in the model. This concurs with Graham and Coffman (2012) that R-squared is always between 0 and 100%: 0% indicates that the model explains none of the variability of the response data around its mean and 100% indicates that the model explains the variability of the response data around its mean. In general, the higher the R-squared, the better the model fits the data. The adjusted R square was slightly lower than the R-square which implied that the regression model may be over fitted by including too many independent variables.

Also, the results of Analysis of Variance (ANOVA) for regression coefficients used to test the overall significance of regression model has the value of 304.613 with (5,441) degrees of freedom and p-value of 0.000 which was less than 0.05 ($F_{(5,441)} = 304.613$, $p = 0.000$). This implies that the overall model was significant in predicting the productivity of the selected quoted consumer goods companies in Nigeria. That is, productivity is affected by economic factors (interest rate, inflation rate, importation policy, infrastructural facility and exchange rate) and the F value standing at 304.613. The result shows that at least one of the economic factors has a significant effect on the productivity of the selected quoted consumer goods companies in Nigeria. In coming up with the final regression model to predict productivity of the selected quoted consumer goods companies in Nigeria, the economic factors are statistically significant and were retained in the model. The multiple regression model from the results is thus expressed as:

$$\text{PRO} = -0.521 + 0.165\text{IR} + 0.206\text{INR} + 0.219\text{IP} + 0.245\text{IF} + 0.170\text{ER} \dots\dots\dots \text{Eq. (4.2)}$$

Where:

- PRO = Productivity
- IR = Interest Rate
- INR = Inflation Rate
- IP = Importation Policy
- IF = Infrastructural Facility
- ER = Exchange Rate

From the regression equation above, it was revealed that holding economic factors (interest rate, inflation rate, importation policy, infrastructural facility and exchange rate) constant (at zero), productivity of the selected quoted consumer goods companies in Nigeria will decrease to 0.521. This implies that if interest rate, inflation rate, importation policy, infrastructural facility and exchange rate take on the values of zero (do not exist), there would be a decrease of 0.521 times level of repetition of the productivity of the selected quoted consumer goods companies in Nigeria. The

model shows that a unit change in interest rate, inflation rate, importation policy, infrastructural facility and exchange rate respectively will lead to 0.165, 0.206, 0.219, 0.245 and 0.170 unit changes in productivity of the selected quoted consumer goods companies in Nigeria. The results revealed that infrastructural facility ($B = 0.245$, $t = 3.886$, $p = 0.000 < 0.05$) was the most significant predictor (among economic factors) on productivity of the selected quoted consumer goods companies in Nigeria while importation policy was the next most significant predictor of productivity of the selected quoted consumer goods companies in Nigeria. Since most of the regression coefficients were significant at 5% significance level as indicated in Table 4.2, the null hypothesis was rejected. Therefore, the null hypothesis five (H_{05}) which states that economic factors have no significant effect on productivity of selected quoted consumer goods companies in Nigeria is hereby rejected.

5. Discussion of findings

The results of linear multiple regression analysis for the effect of economic factors on productivity of selected quoted consumer goods companies in Nigeria revealed the presence of a significant effect. This result implies that economic factors significantly influenced productivity of selected quoted consumer goods companies in Nigeria. Studies of (Ali, Klein, & Rosenfeld, 1992; Barakat, Elgazzar, & Hanafy, 2016; Ibrahim & Aziz, 2003; Kandir, 2008; Kwong, 2016; Kokemuller, 2017; Stock & Watson, 2008) have reported that economic factors significantly influenced productivity. However, majority of the studies did not look at the effect of macroeconomic variables on productivity of consumer goods manufacturing companies in Nigeria. Ogunbiyi and Ihejirika (2014) showed that maximum lending rate, real interest rate and savings deposit rate have negative and significant effect on profitability. The firm performance proxied by Tobin's Q and ROA for companies from the East Asian countries is negatively affected by financial distress (proxied by leverage) (Tan, 2012). Additionally, Notta and Vlachvei (2014) demonstrated that profitability is negatively and significantly impacted by leverage ratio (proxy for financial distress) for Greek food manufacturing firms.

The finding of this study also agreed with the findings of by Dut (2015) who investigated how SMEs local business environment affects their performance. The research hypothesis was formulated on the basis of the theoretical arguments that business environment both enhances SME's performance and also impedes its operations. Using fixed effect and random effect models, the study found that local government's favoured policies for private firms and labour force have positive effects on SMEs performance. The findings provided a better understanding for SMEs in addressing the local environmental factors that significantly affect SMEs performance, enabling understanding of business continuity and growth.

Conclusion

In view of the empirical findings, this study concluded that economic factors (importation policy, inflation rate, infrastructural facility, interest rate and exchange rate) had statistical significant effect on productivity of selected quoted consumer goods companies in Nigeria.

Recommendations

In view of the findings of the study that economic factors have influence on productivity of selected quoted consumer goods companies in Nigeria, the study therefore recommended that managers in the consumer goods manufacturing sector should be proactive enough in handling economic factors most especially those having to do with importation policy, inflation rate, infrastructural facility, interest rate and exchange rate so as to further boost productivity in their industry in Nigeria.

Suggestion for further studies

Future researchers could employ longitudinal survey research design to determine effect of economic factors on productivity in the consumer goods industry. Also, future researchers could carry out a comparative study of other industries and consumer goods industry so as to observe and compare this study's findings.

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**ANALYSIS OF INTRA-STRUCTURAL CHARACTERISTICS AND ITS IMPACT
ON ORGANIZATIONAL PERFORMANCE: A STUDY OF INDORAMA ELEME
PETROCHEMICALS**

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ABSTRACT

The study sought to determine the extent to which each of the two factors of intra-structural communication pattern and structure formalization influences the performance of Indorama Eleme Petrochemicals Company Limited in Rivers State. The study was survey research based on a quantitative technique in which a structured questionnaire was provided to a sample of 285 people, of which 260 copies of the questionnaire were successfully returned and therefore used for the analysis. Data obtained from respondents was evaluated using multiple regression models, and Cronbach's alpha was used to verify the instrument's internal reliability.

The study discovered that communication patterns had a positive and significant influence on firm performance ($c=0.328$, $p<0.001$, $n=265$), while structure formalization had a positive and substantial effect on performance ($c=0.435$, $p<0.001$, $n=265$). The findings imply that having a holistic understanding of the dimensions of these intra-structural characteristics would assist organizations in achieving operational dominance in creating congruence between individual capabilities and organizational requirements paradigm through effective policy-flexibility, work-related attitudes, clear line of authority, and similar for superior performance. As a result of the findings, the research advised that companies continue to investigate the possibilities of engendering patterns of communication and structure formalization for the desired goal-related attitudes required for the achievement of organizational goals.

Keywords: Pattern of Communication, Structure Formalization, Performance, Policy Flexibility

INTRODUCTION

Companies, either seen as political, socio-technical, or rational systems, invest enormous resources in building an organizational structure-performance link capable of making successful decisions

and policies that direct people's behavior toward goal fulfillment. This, however, is based on the fact that an organization is made up of people who have a wide range of ideas, points of view, value systems, and conventions that impact how they approach work (Clement and George, 2018). As a result, balancing these differences between individuals in fostering goal-related attitudes necessarily requires the realignment of communication patterns and structure formalization as based on inter-character traits, with a clear hierarchy of command heavily burdened with commitments of making operations and maintenance policies, as well as appropriate decision in utilizing and adjusting their activities toward the realization of organizational objectives.

The firm was founded in April 2006 and began full operations on August 7, 2006. Eleme, a Port Harcourt district in Nigeria's Rivers State, is where the corporation is located. Polyethylene (PE) and polypropylene (PP) products are manufactured by the firm. Its goal is to develop a petrochemical center in Africa as well as a sustainable economy that will enhance people's basic living conditions as well as those of coming generations (Indorama Bulletin, 2018). Nwonu (2017), on the other hand, recognized structure formulation as possessing the capacity to boost firm performance based on inter attributes of the sequence of communication and structure formalization because it symbolizes a formal structured framework within which modules, regardless of the number of strands in their organizational structure. An adequate framework with a chain of command develops a pattern of communication inside the company with the shared objective of building a close-knit relationship between management and personnel, which is crucial in boosting the firm's performance (Hills and Jack, 2017).

These intra-structural qualities balance apparent individual differences, ideas, and ideologies within the organization by giving consistency across divisions (Asamu, 2014, Mercelo and Ehrlich, 2011). As a result, including an efficient communication approach and formalization of structure into their functional approach aids in the development of the goal-related attitude required for improved performance (Shonubi and Akintaro, 2016; Villagareia, 2011). Organizational effectiveness is a metric that assesses how successfully a company fulfills its goals (Caleb and John, 2015). The results of a company as assessed against its inputs are referred to as company performance (Nwonu, 2017). Company outcome can be obtained and maintained in the longterm, according to Ogbo, Nwankwere, Orga, and Igwe (2015), if the organizational management is all-inclusive in establishing a command chain that shall allow each section of the company to function within the whims and desires of their organizational system.

These findings show that the organization's growth in generating new products and services, maintaining and upgrading product lines, and serving the demands of its stakeholders is primarily due to the effectiveness of the structure in place at Indorama Eleme Petrochemicals Company Limited, Rivers State.

The primary goal of the research is to determine how infra-structural elements influence organizational success. The researchers seek to know if communication patterns and structure formalization have an impact on business success.

The other parts of this paper are structured as follows: The next part goes over the literature review, which contains the theoretical framework, relevant research, and conceptualization of the study constructs. The methodology includes the survey instrument, data collection and sampling strategies, and data processing methodologies. The researchers then go into detail about the findings, including implications, proposals for future research, limitations, and, eventually, a conclusion.

Statement of the Problem

Most businesses, such as Rivers State's Indorama Eleme Petrochemicals Company Limited, have failed to create an institutional framework suitable for optimizing their activities in the context of the new environment due to structural constraints (Odua and George, 2017). Having a very good structure depicts the communication pattern and structure formalization in reducing the work processes necessary to meet company goals. According to Shonubi and Akintaro (2016) and Villagareia (2011), the formalization of these intra-structural qualities is depending on the nature of the company and its surroundings. The strength of the informational resources at a firm's disposal, as well as the expected goals, impact its capacity to adopt an acceptable structure.

Indorama Eleme Petrochemicals Company Limited, for example, has selected a hierarchical system that, owing to its rigidity, could not provide the administration and pays little or no regard to the company's structure's number of layers. Thus according to Odia and George (2017), the rigidity of her framework had also ended up causing her top management to be reactionary to her personnel's and the environment's requirements, resulting in employees working to develop a self-defeating attitude toward work, absenteeism, and abandoning before the end of the shift, that may have been orchestrated by the organization's communications network pattern.

As stated previously, an organized structure of an organization places a greater focus on jobs and expectations than on the individuals who hold them (Olaniyi, 2017). Undoubtedly, the identified counterproductive behaviour patterns of the company's employees have called into question the efficacy of framework codification in justifying overall operations in the place of work, presenting a threat to the firm's structure formalization, however, the direction and magnitude of the challenging task are unclear. Without empirical research, determining the net effect(s) of the pattern of communication and structure formalization on company performance in all of these scenarios would be challenging, necessitating the study. As a result, the study will investigate how communication patterns and structure formalization, as constructs of intra-structural features, influence the

performance of Indorama Eleme Petrochemicals Company Limited in Rivers State.

Literature Review

Concept of Intra-Structural Characteristics

Any firm's infra-structural features describe sets of interactions that determine the distinctive roles of communication patterns, structure formalization, and the like across departments in guiding goal-related behavior toward achieving organizational goals (Mathew, 2016). It allows the company to define particular functions associated with each job. The identification and institutionalization of the aforementioned intra-structural qualities are responsible for the overall system's functioning, and it is therefore constructed in such a way that it tries to achieve a specific organization's goals and promotes its growth. However, these traits constitute a formal structure of authority relationships and duties that manage and coordinate employee activities and behavior for businesses to fulfill their objectives (Jones, 2013). It clarifies how the organization's tasks and powers are distributed, as well as how operations are carried out.

According to Bliss (2015), it validated the nature of the organization's connections and functions. This view, on the other hand, implies that intra-structural qualities foster interpersonal connections by defining how tasks should be carried out effectively. As a result, it enables individuals to have a clearer understanding of what is expected of them and their function in the company, particularly in terms of who they work with, who works with them, and so on (Shonubi & Akintaro, 2016)

Intra-structural features, according to Greenberg (2015), are the formal configurations between individuals and groups in terms of their duties, work distribution, and authority in the organization. The following are key and integral aspects of intra-structural features that a corporation must specify to harmonize work-related activities, according to Damanpour (2016).

The consequence of the preceding is that good structure describes how authority and duties are distributed among members of the organization, as well as how work operations are carried out. The study regards intra-structural features as an action-driven structural framework that clearly defines boundaries of authority and delineates how company operations will be done efficiently towards the achievement of organizational goals, based on the avalanche of definitions therewith. This definition eloquently shows that every firm's infra-structural features have a clear line of authority and a defined scope of control so that every employee knows to whom he or she reports directly.

Pattern of Communication

Communication patterns are the mechanisms via which communication flows in an organization (Nahm, 2013). They are the communication linkages in work teams, according to organizational frameworks. The characteristics are connected to quality results and who reports to whom or talks

with whom (Gabriel 2017). According to Nahm (2013), a well-organized structure would have a well-organized communication system. The communication process, according to Zealock (2017), depicts the company's communication process in terms of who communicates with whom and the person that receives instructions.

Clearly articulating performance standards and goals, watching and offering feedback, and performing assessments all help the company achieve the best outcomes possible. Employees opt to do duties because they identify with their supervisors or the organization's responsibilities and objectives, according to Nahm (2013).

The workers' general agreement with the rules to which they are obliged to execute is the product of this connection. As a result, the pattern of the communication might lead to workers internalizing desired values in terms of the organization's aims and objectives. However, greater organizational performance can only be accomplished whenever there is a suitable degree of expectation fit and when managers and employees have a fair and equitable social interaction (Wang, 2015). Employees' knowledge, talents, and skills have frequently been believed to enable them to be successful performers when they are employed from the standpoint of human resource management. As a result, management should tailor its rules and objectives, as well as convey them, in such a way that workers can efficiently do their work and complete their assigned tasks.

The pattern of communication system is structurally crucial in leading, controlling, and coordinating the actions of employees toward the attainment of goals in a typical firm. Organizational policies and plans are conveyed through several channels, most notably from the top down to the bottom up. Effective feedback systems are utilized to monitor and manage such policies and methods, which are a direct outcome of the communication pattern in place (Wang, 2015). In performance evaluation, the utilization of feedback channels is critical. As a result, Zealock (2017) suggested that an effective communication pattern is a critical component in controlling job mindsets, which would be necessary for attaining organizational objectives. Employees should know what is expected of him/them, and administrators should offer every worker a defined job description, as well as quick access to the resources needed to execute any task allocated to them.

The design of the communication network, according to Price (2017), refers to the extent whereby an organization communicates employment information to its employees through an ordered route. According to Ayatse, communication is necessary to identify and promote the enterprise's aims (2016). This is because their talents and skills will allow them to display work behaviors that are appropriate and relevant to the job.

Structure Formalization

The act of constructing a formalized structure, as well as its maintenance throughout time, is referred to as structural formalization. A typical reason for formulating an organizational structure seems to

be a desire to systematize the decision-making process. The organized structure is vital for the organization since it allows for the identification of issues and the gradual and deliberate implementation of solutions (Kelly and John, 2015). The extent to which organizational duties are separated from the people who carry them out is a good measure of structure formalization. The stated organizational structure comprises a top-down reporting and decision-making framework that is hierarchical. This is backed up by the availability of clear, well-established rules and laws (Mathew, 2016).

The act of constructing a formalized structure, as well as its maintenance throughout time, is referred to as structural formalization. The attempt to rationalize the decision-making process is a common cause for formalizing an organizational structure. The organized structure is vital for the organization since it allows for the identification of issues and the gradual and deliberate implementation of solutions (Kelly and John, 2015). The extent to which organizational duties are separated from the people who carry them out is a good measure of structure formalization.

The defined corporate structure comprises a top-down reporting and decision-making framework that is hierarchical. This is backed up by the availability of clear, well-established rules and laws (Mathew, 2016).

Formalization is defined by Robbin and DeCenzo (2015) as the degree to which jobs are formalized. The degree to which an organization offers employees with systems and regulations which not only deprive but also constrain innovation, independent labor, and instruction is referred to as the nature of formalization (Miner 2015). Fewer rules and limitations allow for much more innovative, independent work, learning, and organizing work units around critical procedures to enhance customer value.

According to Nnabuife (2009), a mechanism of action scheme promotes a stringent bureaucratic system: tasks assigned are set out in a manner that individual aspirations and jurisdiction are defined clearly, authority flows are understood and strictly followed to, personal skills are completely separated, and specialized tasks are clearly defined. Communication happens at all levels of an organization, as opposed to the organizational organization, where work skills are applied in group situations, thus there is less focus on trying to take and issue orders from junior to superior and vice versa. The organic structure is characterized by the application of work experience in group situations, communication at all organizational levels, and less focus on trying to take and issue commands from junior to senior and vice versa.

According to Trill and Caleb (2016), structure formalization architecture is the extent to which organizational tasks are isolated from the individuals who perform those activities. The defined organizational structure comprises a top-down reporting and decision-making framework that is hierarchical. It is acknowledged that there are specific, defined rules and laws in place, which

usually involve many layers of supervision, such as top-level directors or departmental heads, middle managers, and operational supervisors (Robbin and DeCenzo, 2015)

Firm Performance

Organizational performance is a metric used to measure how well a company achieves its objectives. Company effectiveness refers to an organization's actual results as measured against its inputs. Organizational performance measurements allow firms to focus their efforts on areas that need to be improved by measuring how efficiently work is accomplished in terms of cost, quality, and timeliness (Nwonu, 2017). In contrast, the study examined product diversification and business development to determine corporate success.

According to Sidi (2018), diversification strategy is the act of enhancing a company's ability by exploiting other market prospects or an actual product. This might be achieved by entering new markets and/or changing pricing strategies. The item is often improved, tweaked, or changed.

Firm expansion, on the other hand, entails the construction of additional firm outposts or facilities in a variety of physical locations while keeping the original corporate site in situ (Gabriel, 2016).

Empirical Review

Nwonu (2017) evaluated the impact of organizational management practices on the performance of a chosen group of industrial enterprises in Enugu State, Nigeria. The study's goal was to look at the impact of organizational structure on the performance of manufacturing firms. The survey method was used in the study, with a structured questionnaire delivered to a sample of 297 people taken from the study population. The data were analyzed using descriptive statistics, simple regression, and correlation (bivariate). The findings indicated that transformational structure does have a significant impact on the performance of Enugu State's listed manufacturing companies, and it was deduced that institutions should adopt a framework suitable for their sort of company, as so many companies have continued to fail as a result of a poor structure.

Aliyu (2017) investigated the impact of management structure on employees performance in a selection of Malawian firms. The study's goal was to find out how organizational structure influences employee work performance in a few textile-producing firms in Malawi. In the study, the survey research approach was used, and the population was given a standardized questionnaire on a five-point Likert scale. The collected data were analyzed using Analysis of Variance (ANOVA), and the results indicated that a suitable organizational structure is essential for workers to perform their tasks efficiently. Furthermore, the study revealed that collaborative decision-making supports employees in harmonizing with the functional structure of the organization.

Marcelo and Ehrlich (2011) studied how the structure of an organization and communication patterns influences performance. The research looked at how Agile Methodologies may improve the efficiency of a conventional organization's communication structure. The survey approach was

utilized, and a questionnaire was distributed to the study's sample. Multiple regression models were used to analyze the data. The results indicate that structure and properties of exchange of information had already long been known as important driving forces of achieving sustainable growth and outcomes in product development, that companies could perhaps benefit in terms of both efficiency and success from teams (departments) that can modify their communication in terms of the type of work that is being done, and also the limits placed by computational nodes, and that fi, In contrast, the study was unable to create regression models.

Theoretical Review

Institutional Theory was used as a foundation for the research. DiMaggio and Powell proposed the institutional theory (1983). Institutional theory validated the relevance of building formal structures in organizations by integrating individual perceptions into the organization's operational framework. According to DiMaggio and Powell (1983), aligning individual perceived differences takes into account the processes through which frameworks like schemes, rules, conventions, and routines are developed as authoritative instructions for workers in normal companies. According to this idea, structures are constructed in an attempt to incorporate individual characteristics within the operational framework required to achieve organizational objectives. According to the idea, institutions are made up of cultural-cognitive, normative, and regulative factors that, when combined with other activities and resources, give the resilience and commitment required to achieve organizational goals.

According to DiMaggio and Powell (1983), for any company to maintain the aforementioned structures, both the management and employees of that firm must work together by the regulatory framework of that structure to achieve predefined goals. Policymakers, funders, and other stakeholders, according to the idea, perceive organizational structures produced in the industrialized Western world as signs of progress toward contemporary institutional development. As successful institutions in industrialized nations act as models distant from their original contexts, institutional theory gives an account of the evolution and structure of the university and state research sectors. The 'new institutionalism,' according to DiMaggio and Powell (1983), is an emerging paradigm in institutional theory and sociology that opposes antiquity's rational-actor management paradigms. In quest of cognitive and behavioral explanations for organizational and social processes, it investigates the properties of supra-individual measurement scales which can be simplified to aggregations or direct consequences of individuals' attributes or intents.

More importantly, the theory has established that, although cultural components are hard to detect and quantify, they are vital and must be considered when applying ideas from institutional theory to diverse cultures rather than the organization's system values, attitudes, and conventions. According

to DiMaggio and Powell (1983), such cultural orientation variations may be condensed into institutional insights through well-structured norms and regulatory frameworks. The concept implies that it is a well-established structure that can align human views with the operational framework of the company.

As a result, internal organizational norms and policies form the beliefs and attitudes of individuals and organizations affected by regulatory change, and it is these ideas and beliefs that decide how companies respond to new regulations and principles.

The idea is predicated on the following assumptions:

- i) That through institutionalizing rules, conventions, routines, and schemes, a well-established structure can harmonize individual variations into an organization's operational framework.
- ii) Without a well-defined framework in place, such a counter-productive mindset among employees would be widespread.

Methodology

Research Design

The study used a quantitative survey research technique that involves a systematic empirical analysis of observable phenomena. The researchers developed statistical models to capture the net effect(s) of communication style and structural formalization as construct dimensions of intra-structural features on organizational effectiveness. A structured questionnaire was presented to a sample of 285 people taken from a population of 995 people (995).

The researchers analyzed the data using the Statistical Package for Social Sciences (SPSS). Recent studies, for example, have shown that the use of these software is increasing (Abdurrahman, Owusu, et al., 2021; Abdurrahman, Sharubutu, et al., 2021; Abdurrahman & Osman, 2017; Farooq et al., 2018; Owusu et al., 2021). Finally, the issue of common method bias was addressed.

The internal validity of the instrument was determined using Cronbach's alpha test. Estimation was

based on a general regression model:

$$FP = \beta_0 + \beta_1 PC + \beta_2 SF + \mu$$

Where:

FP = Firm Performance

PC = Pattern of Communication

SF = Structure Formalization

β_0 = The regression intercept (constant term)

β_1 - β_3 = Coefficients of the explanatory variables

μ = Exogenous factors outside the model that were not explicitly recognized in the model are represented by the residual or disturbance component.

Results

Descriptive Statistics

Table 1: Descriptive of Statistics

	P	PC	SF
Mean	1160.8868	958.8302	993.3887
Std. Dev.	421.55835	430.69093	553.43694
Sum of Sq.	307635.00	254090.00	263246.00
Variance	177711.464	185494.679	306292.443
Maximum St.	1764.00	1681.00	2025.00
Minimum St.	484.00	225.00	100.00
Eigenvalue	4.614	159	122
Skewness	-.349	-.014	.242
Kurtosis	1.367	.767	.286
Observations	265	265	265

Source: Extracted from SPSS 20.0

Table 1 displays the asymptotic properties of the descriptive analysis as well as their relationships with the predictor variables employed in this investigation. The mean scores of the variables are presented in the table. The average score was calculated by dividing the total number of views by the number of observations. As a result, the average values for company performance, communication pattern, and structure formalization are, within this order, 1160.8868, 958.8302, and 993.3887. The outcome of the standard deviation of the causative and relationship between variables in describing the extent to which it measures value dispersion were also given in the same table. Standard deviation, on the other hand, quantifies data dispersion in absolute terms. As a result, the standard deviations for firms' performance, communication pattern, and structure formalization were 421.55835, 430.69093, and 553.43694, correspondingly.

Furthermore, the sum of squares computes the deviation of each data point from the mean. To compute the sum of the squares, minus each measurement from the mean, square the discrepancy and then add (sum) all the results. The total square results for firm performance, communication pattern, and structure formalization were 307635.00, 254090.00, and 263246.00, respectively.

The largest and smallest observations, also known as the sample maximum and sample minimum, are the values of the greatest and least items in a sample. The first and final order statistics (usually abbreviated $X(1)$ and $X(n)$ respectively) are the least and largest values for a sample size of n . Firm performance, communication pattern, and structure formalization had the highest values of 1764.00, 1681.00, and 2025.00, respectively, while the lowest values were 484.00, 225.00, and 100.00.

The variance measures how far each data point deviates from the mean (the average of all data points). The variations for firm performance, communication pattern, and structure codification were 177711.464, 185494.679, and 306292.443, respectively.

Standard deviation is a measure of the degree of imbalance in the values calculated around the mean. There is no skewness in a normal distribution. Positive skewness shows a long right tail in the distribution, whereas negative skewness indicates a lack of a long tail in the dispersion.. Firm performance, structure formalization, and structure complexity all have significantly longer right rails, while communication pattern and structure centralization have negative skewness, resulting in large left tails, as seen in the table above. Kurtosis measures the flatness of the value distribution.

Table 2: Correlation Results

	P	PC	SF
P	1.000	0.541	0.807
PC	0.541	1.000	0.425
SF	0.807	0.425	1.000
Observations	265	265	265

Source: Extracted from SPSS 20.0: Correlation is significant at 0.05 level.

Table 2 displays the correlation coefficients of all predictor factors as they relate to firm performance. A detailed inspection of the table indicates that all of the variables have positive signals, meaning that the business's performance will increase greatly if it continues to formalize its communication and structure. The findings of the correlation imply that the management of Indorama Eleme Petrochemicals Company Limited, Rivers State, should pay particular attention to those aspects that function as intra-structural characteristics in directing goal-related behavior that leads to enhanced performance. A change in one of these has an impact on performance, either positively or negatively.

Table 3: Regression results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	286.404	30.955	-31.825	0.000
PC	0.328	0.010	7.683	0.000
SF	0.435	0.011	3.051	0.000
R= 0.976	R ² = 0.953	F-St.=1331.500	D/W=3.660	

Source: computed with SPSS Verson20

$$FP = 286.404 + 0.328X_{PC} + 0.435X_{SF}$$

Table 3 shows the regression coefficients for the response variable calculated applying the Ordinary Least Squares (OLS) method. The following findings indicated the net and individual impact of the explaining factors on business performance. XPC and XSF, on the other hand, are variables that describe communication patterns and structure formalization, respectively. Following a comprehensive study, the coefficient of the constant term was determined to be 286.404 with statistical significance at the 5% level (0.000). This implies that these explanatory factors are held constant, Indorama Eleme Petrochemicals Company Limited, Rivers State's corporate performance will increase by 29%. The anticipated growth is due to variables outside of the model. Moreover, an R² value of 0.953 implies that the explaining factors account for 95% of the overall variance in business performance. According to Durbin Watson statistics of 3.660, there was no evidence of auto-correlation.

Furthermore, one of the infrastructural aspects, the communication method, has a moderate correlation of 0.328, which is statistically significant at the 5% significant level. This suggests that if Indorama Eleme Petrochemicals Company Limited maintains effective communications patterns, corporate performance will improve by 33%. Table 3 also demonstrated a structural formalization regression coefficient of 0.435, which was statistically significant at the 5% significant level (0.000). The positive structure formalization coefficient shows that as the corporation continues to institutionalize structure formulation through with a clear chain of authority, firm performance will increase by around 44 percent.

Discussions

Discussion of Pattern of Communication on Firm Performance

Cronbach's Alpha was employed to test the internal reliability of the instrument, yielding consistency of 0.773 and 0.889, in both, which have been greater than the acceptable limit of 0.5, inferring that almost all of the questionnaire items used during assessing the sequence of interaction and firms' performance were dependable. According to the regression results shown in table 3, the communication pattern has a substantial influence on the corporate productivity of Indorama Eleme Petrochemicals Company Limited in Rivers State. The reality is that the estimated p-value of 0.000 was less than the 5% level of significance showed. As a consequence, it was determined that communication styles influenced performance positively.

A standard error test was done in addition to the results to establish the statistical significance of the network of interaction on performance; the confidence interval of 0.010 was estimated to be less than 0.328 half the pattern of communication parameters. This indicates that when the company's communication pattern improves, performance will improve by 33%. As a result of the findings, good communication patterns will help employees to make significantly more precise judgments and increase the efficiency of corporate procedures. This is because an efficient communication pattern is a critical component of good organizational functioning and the timely execution of policies and strategies. When an efficient communication pattern is established, the company will be able to easily transmit orders along the lines of command, as well as provide confirmations, policy information, and information on changes relevant to business plans.

Discussion on structure formalization and Performance

According to Table 3, the coefficient of framework formalization was 0.435, with a matching standard error of 0.011, meaning that if the company continues to generate and build on her framework formalization, this would result in a 44 percent increase in performance. The relationship

of structure codification, which was higher than 50 percent of the straightforward cross-correlation standard deviation ($0.435 >$ than 50 percent of the confidence interval of 0.011), confirmed the same result, implying that framework codification impacts the performance of Indorama Eleme Petrochemicals Company Limited in Rivers State.

As a result, company owners must transform their operations and maintenance efforts to attain productivity improvements by implementing hierarchical, top-down reporting and decision structures distinguished by the codified regulations, existence of explicit, and standards capable of synchronizing individual distinctions into goal-related perceptions toward performance requirements. The formalization of her organization will surely result in tasks being assigned to particular employees to guarantee that their objectives are clear. When this is created, management will employ performance assessment tools to closely monitor their activities, which will eliminate detrimental attitudes.

Conclusion

According to the findings, infrastructure has a substantial impact on the performance of Indorama Eleme Petrochemicals Company Limited in Rivers State. There is no skewness in a normal distribution. Positive skewness shows a long right tail in the dispersion, whereas negative skewness indicates a lack of a long tail in the dispersion. thereby, admitting and thoughtfully studying these intra-structural characteristics would then aid the organization in enhancing a systems theory model that really can align organizational goals with employees' abilities in their correlating designate for Knowing the aspects of these intra-structural character traits, among many other factors, will also provide a framework for the most effective use of existing resources, but would also provide a long-term framework to manage vital information as a means of directing and managing her employees in an organization.

The above intra-structural factors, which are a key driver of the frequency of rational decision in an institution, create psychological controlled mechanisms linking and coordinating all the association's prosperity and persons within the structure of obligations, levels of authority, reporting lines, laws, and restrictions, and authority. Organizational structures, in this sense, are a beneficial tool for directing human behavior by establishing common values, practices, and goals inside the entity of a firm.

Recommendations

The study made the following recommendations:

- i. The company's management should continue to research the possibilities of engendering their communication pattern as an important part of intra-structural features in driving high performance. The coefficient of 0.328 had a favorable and substantial impact, however, it was below average. This below-average performance necessitates a reorganization of their communication patterns to facilitate the transmission of ideas, policies, and strategies to lower-level operational managers.
- ii. Because the analysis of the data revealed that structure formalization has a positive and significant influence on achievement, it is suggested that this firm should formalize its structure by implementing rules and regulations, enforcing adherence, and establishing a clear line of authority so that employees know to whom they report.

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DECADAL RAINFALL VARIABILITY AND TRENDS ANALYSIS WITHIN THE FRINGES OF NORTH WESTERN NIGERIA AND THEIR IMPLICATIONS TO NATIONAL DEVELOPMENT

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ABSTRACT

Nigeria experiences fluctuations in rainfall. The fringes of the Northwestern Nigeria are the most vulnerable. This paper analyzed the study of decadal rainfall variability and trends analysis within the fringes of Northwestern Nigeria and their implications to National Development. In order to achieve this, sixty (60) years rainfall data for the fringes of Northwestern Nigeria were sourced and analyzed from Nigerian Meteorological Agency, Abuja. Standardized Coefficient of Skewness (Z_1) and Kurtosis (Z_2) were used to test the normality in the seasonal rainfall series (April-October) for the study area. Similarly, in order to study the decadal rainfall variability, Cramer's test, the mean (\bar{x}), and the standard deviation (δ), were calculated for each of the station in the study area for the total number of sixty (60) years (N). The purpose of this statistic was to measure the difference in terms of a moving-statistic, between the mean (\bar{x}_k), for each successive n -year period and the mean (\bar{x}) for the entire period of sixty (60) years. Subsequently, 10-year running mean and linear trend lines was calculated and plotted using Microsoft Excel Statistical tool in order to obtain the trends. The result revealed that Z_1 (rainfall= Kebbi 0.51, Katsina, 0.20, Sokoto 0.74 and Zamfara 1.21) and Z_2 (rainfall=Kebbi 2.19, Katsina -0.36, Sokoto 1.19 and Zamfara 1.84) for the study area were accepted as normal at 95% confidence level. On a lighter note, rainfall amount was increasing in the fringes of northwestern Nigeria within the years under study and that the amount is unevenly distributed, which had numerous implications to National Development. In view of this, appropriate recommendations were proffered.

Keywords: National Development, Decadal Rainfall, Fringes, Variability and Trend

INTRODUCTION

In recent years, Nigeria experiences fluctuations in the trends of rains (Intergovernmental Panel on Climate Change, IPCC, 2007). Fluctuations of climatic elements, particularly rainfall in northern Nigeria is not new especially in the northwestern ecological zone which comprises the northern Guinea, and Sudan-Sahel ecological zones of West Africa (Abdulkarim, Oladipo & Balarabe, 2015).

Rainfall variability is a major characteristic of the Sahelian climate, the last 40 years (since 1969) have witnessed dramatic reductions in mean annual throughout the region [Hulme, et al., 2001 & Dai, et al., 2004). According to Intergovernmental Panel on Climate Change (IPCC) [2007] a rainfall decrease of 29-49 percent has been observed in the 1968-1997 period compared to the 1931 – 1960 baseline period within the Sahel region. In the fringes of Northwestern Nigeria, particularly, rainfall shows a vivid effect on agriculture. Rain is essential to agriculture because without water no plant can survive. Thus, a regular rainfall is essential for healthy plants, too much or very little rainfall can harm plants and agriculture. Extreme weather events have attracted considerable attention in recent years because of the large losses of life as well as tremendous increase in economic losses caused by such extreme events (Easterling, et al., 2000).

Several studies in the Northern region have indicated that the onset of the raining season is highly variable and unpredictable (Hassan & Abdulhameed, 2012). One of the several hypotheses put forth to explain the decline of rainfall in West Africa and Nigeria in particular is the reduced northward excursion of the Inter-Tropical Discontinuity (ITD) during the raining season (Odekunle, 2006). In addition, Odekunle (2008) noted that the displacement of ITD south of its normal position would result in drier years. The ITD is situated well to the north of West Africa in July and August thereby allowing Nigeria to be totally under the influence of Tropical Maritime Air mass (Hassan & Abdulhameed, 2012). In agreement with these views (Traore, et al., 2000) concluded that a reduced summer incursion of ITD would correspondingly result in a decrease in the Sahelian rainfall.

With further significant variations in the climate of the Sahel being predicated by the General Circulation Models (GCMs), it is important that scientific studies be undertaken at regional level so as to provide society with accurate information on the real and potential impacts of extreme climate variability, as well as, the mitigation and adaptation options available. At a time when the world is grappling with diverse environmental problems including global warming, ozone depletion, acid rain, killer hurricanes, destructive thunderstorms, recurrent drought and major flood episodes, any effort at finding explanations to these and other problems should be quite significant, since the

environmental, social and economic cost of extreme climatic variability is bound to be enormous from the standpoint of society and human activity. This study therefore examined decadal rainfall variability and trends analysis within the fringes of Northwestern Nigeria and their implications to National Development.

THE STUDY AREA

Northwestern parts of Nigeria in its entirety is located between Latitudes 9° 02'N and 13° 58'N and Longitudes 3° 08'E and 10° 15'E. The area so defined covers a land area approximately 212,350km² (Table 1). Northwestern parts of Nigeria shares borders with Niger Republic in the northern part, Benin and Niger Republic in the Western part, Niger State and FCT to the south, and Yobe, Bauchi and Plateau States to the East. However, the fringes include States like Zamfara, Sokoto, Katsina, Kebbi and Jigawa. Consequently, the rainfall data covering 60 years period for Jigawa state was not available. The climate of northwestern Nigeria is the tropical wet-and-dry type (Koppens' Aw climate type). The wet season starts from April through October with a peak in August, while the dry season extends from November of one calendar-year to April of the next (Murtala, 2019). The annual average rainfall varies from about 2000 mm in the southern part of the region to about 500 mm in the northern part of the study area (Abaje, Sawa, Iguisi and Ibrahim, 2015).

The rainfall intensity is very high between the months of July and August (ranging from 60mm hour⁻¹ to 99mm hour⁻¹). The pattern of rainfall in this region is highly variable in spatial and temporal dimensions with an inter-annual variability of between 15 and 20% (Hassan & Abdulhameed, 2012).

MATERIALS AND METHODS

Data collection

Monthly rainfall data for period of 60 years (1956-2015) was obtained from the archive of Nigerian Meteorological Agency. The data were collected for four synoptic stations along the fringes namely: Zamfara, Sokoto, Katsina, and Kebbi States in the Northwestern Nigeria (Table. 2). These stations were selected because they are synoptic stations along the fringes of North western Nigeria (Murtala, 2019), and they equally satisfied the general criteria used by the European Climate Assessment and Dataset (2014) that: (1) data must be available for at least 40 years, (2) missing data must not be more than 10% of the total, (3) missing data from each year must not exceed 20%, (4) more than three months consecutive missing values are not allowed, and lastly, the data were tested and found to be normally distributed.

Data analysis

The standardized coefficients of Skewness (Z_1) and Kurtosis (Z_2) statistics as defined by (Ati, Stigter,

Iguisi & Afolayan, 2009) was used to test for the normality in the seasonal (April to October) rainfall series for each of the stations. These are the months during which most of the stations in the region receive over 85% of their annual rainfall totals (Murtala, 2019). The standardized coefficient of Skewness (Z_1) was calculated using;

$$Z_1 = \left[\frac{\sum_{i=1}^N (x_i - \bar{x})^3}{\left(\sum_{i=1}^N (x_i - \bar{x})^2 \right)^{3/2}} \right] / \left(\frac{6}{N} \right)^{1/2} \quad \text{..... equation I}$$

and the standardized coefficient of Kurtosis (Z_2) was determined as:

$$Z_2 = \left[\frac{\sum_{i=1}^N (x_i - \bar{x})^4}{\left(\sum_{i=1}^N (x_i - \bar{x})^2 \right)^2} \right] - 3 / \left(\frac{24}{N} \right)^{1/2} \quad \text{.....equation II}$$

Where: \bar{x} is the long term mean of x_i values, and N is the number of years in the sample. If the absolute value of Z_1 or Z_2 is greater than 1.96, a significant deviation from the normal curve is indicated at 95% confidence level.

To examine the nature of the trends in the rainfall series, 10 -year running mean was calculated and plotted using Micros oft Excel Statistical tool . This was used in smoothing the time series. Linear regression was also used to determine the linear trends of the rainfall for the six stations. It is computed as:

$$y = a + bx \quad \text{..... equation III}$$

Where: a the intercept of the regression line on the y -axis; b is the slope of the regression line. The values of a and b can be obtained from the following equations:

$$a = \frac{\sum y - b (\sum x)}{n} \quad \text{..... equation IV}$$

$$b = \frac{n (\sum xy) - (\sum x)(\sum y)}{n (\sum x^2) - (\sum x)^2} \quad \text{.... equation V}$$

The rainfall series was sub-divided into non-overlapping sub-periods (1956-1965, 1966-1975 through to the last sub-periods 2006-2015). Cramer's test according to Lawson, Balling, Peters and Runquist, (1981) was then used to compare the means of the sub-periods with the mean of the whole record period. In applying Cramer's test, the mean (\bar{x}), and the standard deviation (δ), were calculated for each station in the study area for the total number of years (N), under investigation. The purpose of this statistic was to measure the difference in terms of a moving t -statistic, between the mean (\bar{x}_k), for each successive n -year period and the mean (\bar{x}) for the entire period. The t -statistic is computed as:

$$t_k = \left(\frac{n(N-2)}{N-n(1+\tau_k^2)} \right)^{1/2} \tau_k \dots\dots\dots \text{equation VI}$$

Where: τ_k is a standardized measure of the difference between means given as:

$$\tau_k = \frac{\bar{x}_k - \bar{x}}{\delta} \dots\dots\dots \text{equation VII}$$

Where: \bar{x}_k is the mean of the sub -period of n years. \bar{x} and δ are the mean and standard deviation of the entire series respectively, and t_k is the value of the student t -distribution with $N-2$ degrees of freedom. This is then tested against the “students” t -distribution table at 95% confidence level appropriate to a two-tailed form of test. When t_k is outside the bounds of the two-tailed probability of the Gaussian distribution (equal to 1.96 at 95% confidence level), a significant shift from the mean is assumed.

RESULTS AND DISCUSSION

Rainfall normality

The results of the Standardized Coefficient of Skewness (Z_1) and Kurtosis (Z_2) for the four stations are presented in Table 3. The results of Z_1 and Z_2 of data for the stations revealed that the rainfall data of all the stations were normally distributed at 95% confidence level with exception of Z_2 for Kebbi State. Therefore, no transformation was made to the rainfall series.

Table 3: Standardized Coefficients of Skewness and Kurtosis for the six meteorological stations

Statistics	Kebbi	Katsina	Sokoto	Zamfara
Mean (\bar{x})	981.37	595.18	651.43	910.19
Standard Dev. (δ)	183.31	162.21	146.74	170.29
Skewness (Z_1)	0.51	0.20	0.74	1.21
Kurtosis (Z_2)	2.19*	-0.36	1.19	1.84
Minimum Value	496.25	262	373.2	675.7
Maximum Value	1556.2	979	1150.6	1507.1

*Significant at 95% confidence level

Source: Fieldwork (2020)

Rainfall Trends and Variations

Rainfall trends and variability from season to season may greatly affect soil water availability to crops, and posed serious crop production risks to National development. The highest mean

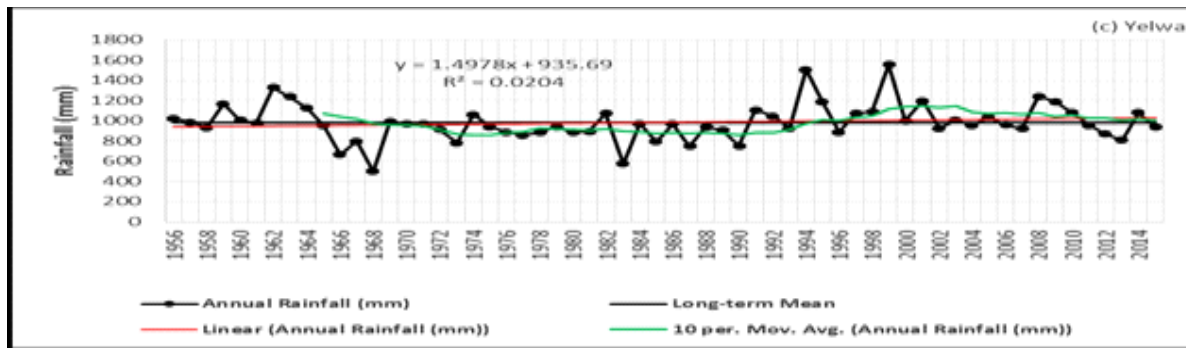


Figure a: Rainfall Trends and Variations for Kebbi

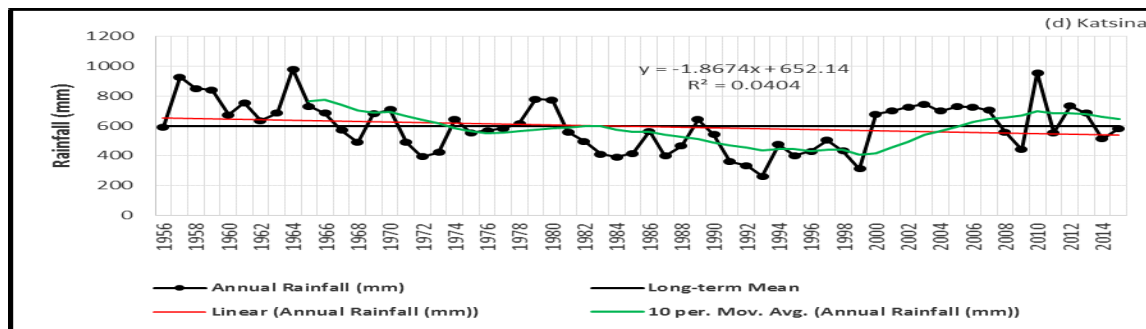


Figure 1b: Rainfall Trends and Variations for Katsina

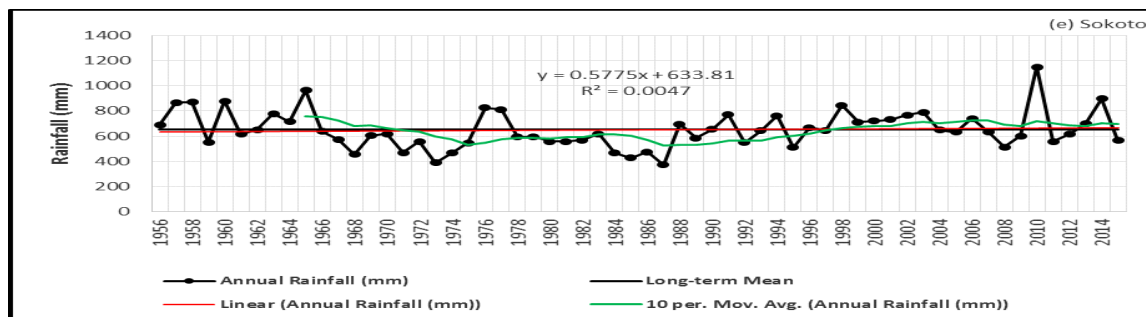


Figure 1c: Rainfall Trends and Variations for Sokoto

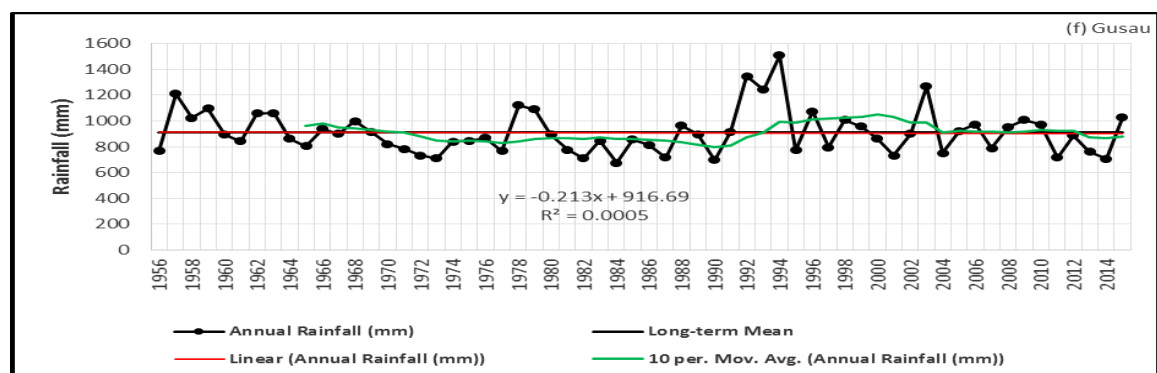


Figure 1f: Rainfall Trends and Variations for Zamfara

The result of Cramer's test for variability in the 10-year non-overlapping sub-period of annual rainfall in the four stations is presented in Table 4.

Table 4: Variability in 10 year non-overlapping sub-period analysis of rainfall (Cramer's Test)

Sub-period	Katsina	Sokoto	Zamfara	Kebbi
1956-1965	2.47*	2.01*	0.98	1.52
1966-1975	-0.65	-2.15*	-1.18	-1.91
1976-1985	-0.76	-1.08	-0.97	-1.71
1986-1995	-2.32*	-1.09	1.40	0.48
1996-2005	-0.01	1.38	0.32	1.51
2006-2015	1.00	1.02	-0.61	0.42

*Significant at 95% confidence level

Source: Fieldwork (2020)

The result revealed four (4) significant cases at 95% confidence level in all. Two significant cases in the sub-period: 1956-1965 for Katsina and Sokoto. These two sub-periods for Katsina and Sokoto were significantly wetter at 95% confidence level than the long term condition. All other stations in that sub-period (1956-1965) had a normal condition. The sub-period 1966-1975 had one significant case for Sokoto while the sub-period 1986-1995 had one significant case for Katsina. These two stations (Sokoto and Katsina) were significantly drier at 95% confidence level than the long-term condition as indicated by their negative tk values. These periods coincided with the droughts of the 1970s and 1980s that ravaged the northern part of the country. A closer examination of the sub-period showed that Kebbi and Gusau (1986-1995) were positive. This is an indication of dryness for the three periods. This finding agree with previous studies conducted by (Olaniran, 1991) that a long run of dry years since the early 1970s has also been confirmed for the zone (Nicholson, Some & Kone, 2000). A critical examination of the last two sub-periods (1996-2005 and 2006-2015) revealed that all the tk values were positive with the exception of Katsina (1996-2005) and Zamfara (2006-2015) that were having negative tk values. This implies that rainfall in the Northwestern parts of Nigeria is increasing in recent years especially in Kebbi and Sokoto. This is in agreement with previous studies of (Ati, Stigter, Iguisi & Afolayan, 2009; Adefolalu, 2007) that the late 1990s have been witnessing increasing annual rainfall totals. However, this result is not in agreement with the previous conclusions (Tarhule & Woo, 1998; Sawa, 2002) that the drought-prone areas of northern Nigeria have been experiencing a decreasing trend in the frequency of wet conditions and increasing aridity in the decades 1971-2000. The decreasing frequency of wet conditions may be as a result of the fact

that the study was based on data covering up to 2000; but studies that use recent data covering up to 2015 may arrive at the same result with the present study (Murtala, 2019).

On a lighter note, there are numerous implications of these results to national developments. These may cause unstable rainfall patterns and could affect the planting and harvesting planning (Murtala, 2019). In the same vein, International Fund for Agricultural Development (IFAD) (2019) observes in recent studies in developing countries, 25% of cereals, 37% of root and tubers, 53% of fruits are lost as a result of unstable rainfall. Thus, Predicted early cessation of rainfall this year means planting season will be short, which could in turn leads to food shortage.

CONCLUSION

Different statistical methods were used to depict trends and variability of rainfall within the fringes of northwestern part of Nigeria, **the result revealed that rainfall in these areas is unevenly distributed.** The 10-year running means and the linear trends generally showed that rainfall amount is increasing in recent years except in Katsina and Zamfara states. The non-overlapping sub-period analysis **also revealed that the last two sub-periods (1996-2005 and 2006-2015) have witnessed increase in rainfall particularly, Kebbi, Sokoto and Katsina. On a general note, an increasing rainfall is been experienced in the study area.**

This study recommends that more opportunities should be provided by the government for professionals to study and develop realistic methods for utilization of ground water without socio-economic concerns, as well as managing flood events. In such a case, it would be possible to counter drought and flood crises occurrence along the border fringes and other areas having the same climatic conditions.

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CORPORATE GOVERNANCE: ACCOUNTABILITY AND ETHICS AT A CRITICAL POINT IN NIGERIA (THE CASE OF AJAOKUTA STEEL)

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ABSTRACT

The study examined how Corporate Governance is carried out in the Nigerian public sector in relation to Ajaokuta Steel Company Limited which was established in 1979 and certified 98% complete in the 1990s but has not been completed to start production of steel. The study looked at a single case in depth to cast light on obstacles to ethics and accountability in Nigerian parastatals. This study searched why parastatals in Nigeria are performing so poorly. Parastatals are accused of ethnicism, corruption, nepotism, patronage, clientelism, low accountability and transparency. These problems were looked into in the context of Ajaokuta Steel; a parastatal that was substantially completed four decades ago but subsequently could not achieve its main objective. Ajaokuta Steel Company Limited is an industry which was meant to take the lead of industrialising, developing, and taking Nigeria and Africa from poverty and unemployment. To pursue this study, the researcher employed qualitative methods of research with interpretivism combined with a critical ambition and a case study as the main research strategy. The researcher used interviews to gather data. The analysis of the interviews was from voice recorder. Theoretical framework based on neopatrimonialism was used to guide the researcher in the empirical work and in the study. The results showed that lack of political will, international and local politics, corruption, military incursions in politics, and the dissolution of Nigeria Steel Development Authority (NSDA) are responsible for the stoppage of work at ASCL. It was recommended that the military should face their constitutional/professional calling and Ajaokuta Steel Company Limited (ASCL) should have a conglomeration of professionals as a supervising agency instead of the Ministry of Mines and Steel Development to avoid political interference.

Key words- Corporate, Governance, Accountability, Ethics, Nigeria, Ajaokuta, Steel.

INTRODUCTION

Governance involves managing, directing, and controlling economic, political and social resources of a country. It is an environment in which people interact with themselves to achieve their aims and objectives. Corporate governance is controlling and giving direction to an organisation. It is a system by which a company is directed and controlled (Cadbury, 1992). Corporate governance became well known after the developed and developing World's scandals. *In developed World, Enron company in the US collapsed in 2002, WorldCom, Parmalat (an Italian Company), Maxwell Communication Corporation and Mirror Group Newspapers, The British Gas in 1995, Barings Bank in 1995, and others collapsed (Solomon, 2010; Brooks and Dunn, 2012; Oyinlola, 2010; Olagunju, 2011).*

The same story in developing World. For instance, *in Nigeria, banks like Intercontinental Bank, Bank PHB, Afribank, Oceanic bank and others collapsed. Lever PLC, African Petroleum, Arewa Textiles Limited, United Nigeria Textiles Limited folded up (Oyinlola, 2010; Olagunju, 2011; Musa, Success, and Iyaji, 2014; and Faboyade and Mukoro 2012).*

These scandals and crises led to the crying for reforms that will provide protections for investors and build confidence in people in order to prevent further occurrence in the future.

The call for Corporate Governance made the Stock Exchange Market (SEM), Government and other regulators to enact laws and establish codes to protect the Business World. These laws and codes include Cadbury code of 1992, OECD principles of corporate governance of 1999 (revised in 2004) and Sarbanes-Oxley Act in 2002. The importance of these laws, codes and principles cannot be over emphasized as the effects of scandals on government, investors, creditors, employees, suppliers and other people were too great. For instance, the effects of Enron's fall were employees losing their jobs, creditors not recovering their principal and interest, loss of taxes to the government, and communities lose their employments and the loss of social responsibilities of these companies to their host communities.

Governance concerns decision making, transparency and accountability. It is defined by IFAC (2001) as “the structures and processes for decision making, accountability, control and behavior at the top of organizations” (p.1). Good governance is when responsibility is discharged in an effective, transparent, and accountable manner while bad governance results in unenforced laws, breach of agreement signed and sealed, lack of fairness, or forged rules by the administrators (Obera, 2021). In corporate organizations, boards of directors are responsible for making policies for the organisation while management implements the policies of the board of directors. The board gives account to the owners.

Corporate governance can be seen from a narrow sense and a broad sense. From the narrow point of

view, corporate governance is a relationship that exists between a company and its shareholders (owners). This view point is as expressed in agency theory. In this connection, the definition that is suitable for the narrow sense is that given by Cadbury in 1992. He defines corporate governance as “a system by which companies are directed and controlled.”

On the other hand, looking at corporate governance from the broad point of view, it is a relationship that exists between the company and other stakeholders like shareholders, creditors, suppliers, employees, customers, government, local community, and the general public. Companies are expected to give account to the aforementioned group of stakeholders. The broad view of corporate governance is as expressed in stakeholder theory. The definition suitable for this broad view of corporate governance is as given by Solomon (2010). She defines corporate governance as:

“the system of checks and balances, both internal and external to companies, which ensures that companies discharge their accountability to all their stakeholders and act in a socially responsible way in all areas of their business activity” (p.6).

This broad approach to corporate governance is necessary today. This is because when Enron and other companies collapsed several people who have stakes in those companies like employees, lenders, suppliers, government, local community and the general public lost fortune. Moreover, companies that are accountable to many stakeholders are more likely to be successful and prosperous in the long run (Solomon, 2010).

2. Principles of corporate governance

Cadbury (1992) gives three principles upon which corporate governance is based. The three principles are integrity, openness, and accountability. **Integrity** means that the financial reporting should be straightforward, complete, balance, honest and should be prepared by honest people. **Openness**, according to Cadbury, means that the board and management should disclose all information to enable the shareholders/stakeholders take good decisions - this will give the stakeholders/shareholders confidence to take appropriate and effective action. **Accountability** is the steward function of the board of directors to their stakeholders.

Ethics

Ethics deals with the study of human behaviour, conduct or action. Ethics distinguishes what is good from what is bad and what is right from what is wrong. When a behaviour/conduct is right/good, it is ethical but when it is bad/wrong, it is unethical. We study ethics as a human behaviour, conduct or action; see it as laws, principles, and rules that regulate people's relationships with one another; and assisting professionals to follow a standard of conduct. Ethics has the objective of loving our

neighbour and do him/her good and not evil.

The principle of applied ethics is the use of ethical theories to form moral judgments about controversial moral issues and questions that human beings face. For instance, Ajaokuta Steel Company Limited was established in 1979 (more than four decades ago) but has not started producing steel.

For Fieser (nd), the following principles are commonly encountered in applied ethical issues: Recognising the depth at which an action produces beneficial results for the individual in question. Recognition of the degree at which an action produces beneficial results for the society. Show mercy by helping those in need. Help others in pursuing their lawful interests when they are helpless and cannot do so themselves. Do not harm others. Do not deceive others. Obey the law. Respect a person's freedom over his/her actions or physical body. Recognise a person's right to due process, fair hearing, fair compensation for harm done to him/her, and fair distribution of benefits. Recognise a person's rights to life, information, privacy, free expression, and safety. These principles must be uncompromisingly followed when taking ethical decisions.

Accountability

Accountability is defined as a “relationship in which people are required to explain and take responsibility for their actions: the giving and demanding of reasons for conduct” (Sinclair, 1995 p.221).

Government obtains the power that it exercises from the people and must be accountable through the next higher ranks in the civil service to the permanent secretary, Minister, legislature and to the people (Mollah, 2008). Behn (2001) argues that “everyone agrees that the evils of corruption, arbitrariness and inefficiency are inherent in government and that they can be exorcised through mechanisms of accountability” (p.2). Alawattage and Azure (2019) maintain that accountability frees the social and political from economic colonisation.

Accountability's functions are to guide against abuse of power; to ensure that resources of organisations are used wisely and in accordance with the law/procedures; and to encourage and promote learning in pursuit of continuous improvement in governance. Accountability is taken to be the solution to the challenges of governance. Accountability involves record keeping, reporting, auditing and oversight which are necessary in the public and private organisations.

In a nutshell, accountability of organisations is to make the stakeholders aware of whether the resources entrusted into the hands of public agents are properly handled and in line with the rules and regulations and that government services, programmes, and organisations function well economically, efficiently and effectively.

Nigeria

Britain gained control over Lagos in 1862 and gave it Crown colony status. Britain further gained control over the Niger Delta region in 1885 and the northern region in 1899. The Royal Niger Company (RNC) has the North as its base (Lewis (2007). The trading between Britain and Nigeria began after Napoleonic wars. The establishment of the RNC in 1886 was a precursor, trap, the reasons why British was able to penetrate and gain control over Nigeria (APRM report No. 8, 2009).

Britain joined the protectorate of south and north in 1914 and called it “Nigeria” which became a corporate political entity under British Imperial rule (Rustad, 2008). The merged Nigeria in 1914 gave birth to three regions in 1939 that were ethnically and economically separate (Lewis, 2007). Nigeria's three major ethno-linguistic tribes (Hausa, Ibo, and Yoruba) are two-thirds of Nigerian people (Lewis, 2007). Nigeria became a sovereign nation after gaining Independence from Britain on 1 October 1960 (Rustad, 2008). Lagos, a Nigerian commercial city, was formerly the administrative headquarters of Nigeria before the seat of government was moved to Abuja on 12 December 1991 by the then military President, General Ibrahim Babangida (APRM report No. 8, 2009).

Nigeria, since independence on 1 October, 1960 has been under the military dictatorship and has experienced “poor governance, lack of transparency and accountability” (APRM report No 8, 2009 p.41). Furthermore, Nigeria scored 25% to rank 149 out of 180 countries on the Transparency International (TI) 2020 corruption index. Nigeria is noted to be one of the most corrupt countries in the world notwithstanding many anti-corruption institutions in the country.

Ajaokuta Steel

Ajaokuta Steel is referred to an industrial giant which was meant to take the lead of industrialising, developing, and taking Nigeria and Africa from poverty and unemployment. Ajaokuta Steel Company Limited (ASCL) which was established in 1979 as a parastatal under the Federal Ministry of Mines and Steel Development, was to provide a base for the industrial development of Nigeria (Mohammed, 2002b, Agbu, 2007). The completion stage of ASCL was deemed 98% in the 1990s but has not started producing steel (ASCL Website, NATE, 2009). Investigations have shown that, the steel producing technology cannot start until all units and some elements of infrastructure have been put in place (Okoroanyanwu, 2008).

The company is based in Ajaokuta town, on the west bank of the River Niger, about 564 kilometres north of the Atlantic Ocean, and covers an area of approximately 800 hectares (Ajaokuta Steel Diary, 1983).

ASCL was established by Decree No. 60 of 1979 and was also incorporated by Companies Decree No. 51 of 1968 (now Companies and Allied Matters Act (1990) as amended) with its own Memorandum and Articles of Association (MEMART) dated 16 August 1979. The Memorandum of Association states that the name of the Company shall be called “Ajaokuta Steel Company Limited”. The memorandum further states that the objects for establishing the company are to carry on the business of manufacturing, producing and dealing in steel products and to do all such other things that are incidental to, or the company may think conducive to, the attainment of the objects. Similarly, the Articles of Association of ASCL state in section 4 that the company is a private company owned by the Federal Government of Nigeria (FGN) and restricts the rights to transfer its shares; thus it cannot invite the public to subscribe for any shares or debentures of the company and shall not have power to issue share warrants. Section 26 states that the Chairman of the Company shall be appointed by the FGN. Section 27 states that the General Manager of the Company shall also be appointed by the FGN.

The government of Nigeria gave ASCL in concession to Solgas Energy Limited (SEL) in 2003 to rehabilitate, complete, commission and operate the Steel Plant and recoup their investment within a period of 10 years. SEL failed and ASCL was given to Global Infrastructure Holdings Limited (GIHL) in 2004 for the reactivation, completion and operation of ASCL (Agbu, 2007; Mohammed, 2008) but could not carry out the major provisions of the agreement. The federal government terminated the agreement in 2008.

In 2019, the government of Nigeria said ASCL must be completed and in 2020, the Senate also added voice by passing a resolution that the Federal Government of Nigeria should mobilize resources to complete ASCL. Towards this end, the Federal Government inaugurated the Ajaokuta Presidential Project Implementation Team. This team is to enact an agreement between Russia and Nigeria to complete ASCL on Build-Operate-and-Transfer basis. Based on this arrangement, Afrexim bank would fund the project with \$1bn, while the Russians would offer \$460m, and MetProm Group would complete and operate the steel company. The Tyazhpromexport (TPE) of Russia, the original builder of the plant will conduct a technical audit of the steel company. The federal government of Nigeria jettisoned the idea of privatization for now because of the complexities of ASCL (Orjiude and Olatunji 2021).

The objective of this study is to determine how Corporate Governance is being practised in Nigerian parastatals in relation to Ajaokuta Steel Company. The question is - How is Corporate Governance carried out in Nigeria parastatals in relation to Ajaokuta Steel Company Limited which was established in 1979 and certified 98% complete in the 1990s but has not started producing steel? This

study intends to fill the gaps in the literature on Corporate Governance in the public sector. Most of the literatures (Afolabi, 2015; Owolabi, 2015; Wanyama et al., 2013; and Inyang, 2009) dwell on Corporate Governance in the private sector, mixture of public and private sectors in a single study, corruption, and privatization. This is because of the notion that Corporate Governance is a private sector affair (Sarbah and Wen, 2014; Simpson, 2014). This is the notion they have forgetting that some parastatals operate to make profits like Ajaokuta Steel. This study fills the gaps in study by researching into the Corporate Governance in the Public Sector taking Ajaokuta Steel Company as the case study. This paper argued that if those who govern corporations give account of their stewardship and maintain ethical standard, public corporations need not to be privatized for both private and public sectors are guilty of corruption.

Theoretical Framework: Neopatrimonialism

The two commonly used theories in corporate governance are agency and accountability (Wanyama, 2006; Bondamakara, 2010; Fox, 2010; Solomon, 2010). This is mainly based on the idea that ownership of organisations is separate from the management (Berle and Means, 1923; Jensen and Meckling, 1976). This is a narrow sense of Corporate Governance.

But at a broad sense, the theory of neopatrimonialism is found suitable to be used as search light to bring out the reasons why ASCL has not been completed after more than four decades of establishment. Many people have stakes in ASCL - like employees, lenders, suppliers, government, local community and the general public. The theory of neopatrimonialism is also used to know why there is under-development in developing countries and therefore suitable for unveiling the reasons why ASCL has not been completed. It is one of the theories that is used to explain why there are under- development, economic, and socio-political problems facing a society (Roth, 1968; Hellriegel and Slocum, 1992; Barton and Martin, 1998; Erdmann and Engel, 2007).

Neopatrimonialism is where administrators govern by personal ideas rather than using constitution or people's ideas to govern. In a neopatrimonialistic state, public at large have respect for a person rather than the office he occupies; and leaders occupy offices to acquire personal wealth and status rather than performance (Bratton and Van de Walle, 1994; Wren and Bedeian, 2009). Nawaz (2008) defines neopatrimonialism as “a system of governance where the formal rational-legal state apparatus co-exists and is supplanted by an informal patrimonial system of governance” (p.2).

Neopatrimonialism has the characteristics of clientelism, patronage, presidentialism, nepotism, prebendalism, bribery, corruption, favouritism, and ethnicism (Roth, 1968; Lemarchand and Legg, 1972; Ikpe, 2000). Neopatrimonialism involves personalising public affairs (Medard, 1982);

government is based on personal ruler; State officials personalise State goods and services; State officials take political offices as personal fiefdoms and patronage; State jobs operate through patron-client networks; and public office serves the purpose of the person occupying that office (Ikpe, 2000). Neopatrimonialism is a threat to good governance and accountability. In a neopatrimonial State, there is disrespect for the rule of law; intolerant of minority and opposition groups; lack of transparent political processes; judiciary is not independent; the law enforcement agents are obedient to government in power and lack of free press.

3. Methodology

The design of a research is to show the procedures involve in carrying out a research or structuring an investigation (Ogolo (1996) and Asika (1991). The purpose of data collection is to answer research questions and hypotheses.

This study adopted a qualitative research which consists of: in-depth interviews, focus group discussions (focus groups like - people at large, community leaders, politicians, regulators as well as relevant and available documents), direct observations and case study. This method will enable the researcher to have access to corporate governance experts across different disciplines. The choice of these groups is because they understand the reasons why this research is being carried out and their knowledge of corporate governance. This method will also help in understanding how corporate governance operates in Nigeria. The interview schedules for both phases were piloted among university lecturers for validity and reliability tests before they were administered.

The following documents were collected from ASCL for this study: letters sent from the Ministry of Iron and Steel Development to ASCL, documents relating to government policies and pronouncements on ASCL. Others are parliamentary debates on ASCL, ASCL progress reports, ASCL accounting statements, ASCL CEO's presentations to the governing board, Memorandum and Articles of Association of ASCL, internal and external documents, and labour union's documents as regards ASCL. Other documents used for the purpose of this study are newspaper reports and ASCL's website. These documents back up interviews to build up validity.

The researcher went to ASCL site and saw heads of departments and administrative staff busy in their offices with paper work and were interviewed by the researcher. However, the production line and many workers were sitting idle in their offices. Thirty-three (33) people were interviewed apart from informal discussions with focus groups that were not recorded. The complexities of ASCL made the study to be conducted in two phases.

Table 1 List of Interviewees (first and second phases)

Interviewees' affiliations	No. of interviewees in the first phase of interviews	No. of interviewees in the second phase of interviews	Total
Journalist	2	1	3
Civil servant	5	2	7
Human right activist	-	1	1
Legal practitioner	-	1	1
Politician	1	1	2
Political commentator, analyst and academic	1	-	1
Representative of UNDP, World Bank and non-governmental Organisation	-	1	1
Chamber of Commerce (DG)	1	-	1
Nigeria Labour Congress (NLC)	-	1	1
Academic	3	2	5
ASCL Management Staff	3	7	10
Total	16	17	33

Source: Authour's field work

Interviews were recorded on a voice recorder, transcribed, highlighted, presented and analysed based on the issues that emerged out of the interviews.

4. Results and discussion of findings

Lack of political will

Lack of political will means that the government is not serious or lacks patriotic zeal to complete ASCL. The government of Nigeria can use its political power and available resources, if she wills, to complete ASCL. Interviewees argued that Nigeria can complete ASCL if she chooses to, because of her richness in both human and mineral resources as she did not borrow a dime to complete it to the 98%. Ethnicism and lack of pressure groups to pressurize the government were raised by the interviewees as obstacles to the completion of ASCL.

International and local politics

Several interviewees argued that ASCL is not completed because of international and local politics – forces and pressures. Interviewees opined that the Nigerian market for steel is a large market as a result of her large population and that attracts international and local interests' opposition to ASCL's completion. If Nigeria's integrated steel company at Ajaokuta is working, the livelihood of both locally and internationally steel businessmen will be in danger of their incomes being cut off and therefore everything must be done to stop ASCL's completion. The international and local steel businessmen believe that they will sell more of their steel products if Nigerian steel company is not working. The local businessmen, according to interviewees, are not in support of ASCL's completion because those of them who import steel materials like generators, motor bikes, bicycles, plates and other steel products are afraid of being thrown out of business should ASCL start working.

Military incursions in politics

Military incursions in governance in Nigeria is one of the outstanding reasons why ASCL is dormant, said the interviewees. On assumption in office the military will declare that their core reason for taking over the governance of Nigeria is to eradicate corruption. But corruption and lack of accountability were the mainstay of their regime (APRM report No. 8, 2009; Uneke, 2010). Some of the interviewees stated that the military took over and did not give enough attention to ASCL, which will also would have benefited them in terms of producing military hardwares and weapons.

The military government promotes ethnic politics and take public offices as if they were their private personal properties. For instance, an account dedicated amounting to \$12.4 billion (being receipts for excess revenue from the sales of crude oil during the Gulf War meant for three major special development projects which are the Shiroro Hydro-Electricity project, ASCL and National Iron Ore Mining Company (NIOMCO), Itakpe) was reduced to \$200 million under the military administration (Apter 2005; Agbiboa, 2012). This amount (\$12.4 billion), according to General Ibrahim B. Babangida, was not stolen but used for regenerative investment and critical infrastructure such as building of Abuja City and Lagos Third Mainland Bridge (Daniel, 2015) which were not what the money was meant for.

Again, \$2.5 billion meant for the payment of debts to Tiazhpromexport of Russia that built ASCL was withdrawn from the CBN but only \$500 million was paid to them by the military government of General Sani Abacha (BBC NEWS, 1998; Oyediran, 1998; Obadina, 1999; Daniel and Freeman, 2007; Agubamah, 2009; and Administrator, 2011).

Moreover, Air Commander Ndasu Muhammed Umar, according to interviewees, was appointed the CEO of ASCL; and a retired general (General Chris Ali) was made the chairman of the governing board of ASCL before the concessions by the military. This is a neopatrimonial system whereby leaders transfer public goods and services to oneself, friends and people from ethnic origin for personal benefits (Le vine, 1980; Ikpe, 2000; Erdmann and Engel, 2007). These two military officers were not professionals to manage ASCL. The military administration is prebendal in that they use political office as personal inheritance and at their discretion to favour their own and cronies (Ikpe, 2000).

The literature revealed that the military regime is opposed to democracy because it advances ethnic politics and personalises public offices (Ikpe, 2000). The military regime is a patrimonial regime that monopolises power to reward friends and relations at the expense of the people without giving accountability. This is because, for there to be accountability to the principal there must be a contract of accountability between the principal and agent (Stewart, 1984; Gray et al., 1996). Stakeholders cannot demand accountability from the military because there is no constitutional, contractual, or charismatic authority relationship. The military believe their authority is personal, displaying self-importance (Brinkerhoff and Goldsmith, 2002). They wield much influence but deem themselves accountable to no one (Brinkerhoff and Goldsmith, 2002) since they were not given mandate through the ballot.

Corruption

Some of the interviewees maintain that corruption is prevalent everywhere in the world but its level in Nigeria is very much because of her large population, illiteracy, greediness, poverty, and ethnic pressures. Interview participants declared that in Nigeria, corruption is carried out through inflation of contracts, lack of transparency and accountability, favouritism, and the practice of not completing projects of previous governments. ASCL, according to the interviewees, was given to Global Infrastructure Holdings Limited (GIHL) through fraudulent means and was used by leaders as a conduit pipe to siphon the allocations to ASCL. Also, according to interviewees in the case analysis, the drafting of the concessional agreement was carried out without the input of Attorney-General of the Federation (AGF). GIHL left ASCL worse than it met it.

Corruption is one of the elements of neopatrimonialism. Where policy decisions are taken secretly without public involvement, it is neopatrimonialism (Brinkerhoff and Goldsmith, 2002) – for instance the drafting of the concessional agreement between the FGN and GIHL without the participation of AGF.

ASCL's location

ASCL was located at Ajaokuta as a result of feasibility studies carried out by the Russians (Mohammed, 2002b; Agbu, 2007). So, Ajaokuta was considered a very feasible site. The management staff of Ajaokuta and other stakeholders interviewed lamented that supposing ASCL were to be located in one of the three major tribes (Yoruba, Hausa/Fulani, and Igbo), it would have been completed long ago. Ajaokuta is located in Kogi which is one of the minority states in Nigeria. They suggested that this was key – not the feasibility of the site but that Ajaokuta was in a minority tribe area, a tribe with little influence over the central government.

Ethnic preferencing is one of the elements of neopatrimonialism. It is where the leaders draw parastatals to their ethnic origin even if the environment is not necessarily the most attractive to the parastatal, by ignoring the lack of basic raw materials or the danger posed by the environment (Akinola, 1988; Iyoha, 2008; Aluko and Ajani, 2009; Salawu and Hassan, 2011; Agbiboa, 2012).

Nigeria Steel Development Authority (NSDA)'s Dissolution

The findings from the interviews and the case revealed that the Russians experts that built ASCL advised the Federal Government of Nigeria (FGN) to establish an agency that is free from political interference to superintend ASCL. The agency will be a conglomeration of professionals who are to plan, construct and operate the steel plants and carryout geological surveys (Mohammed, 2002b; Agbu, 2007). Professions are legally authorised and granted autonomy on the ground that they will do the public good, pursue the ideal and must be governed by a code of ethics. Professionals' clients are expected to trust them (professionals). This agency, full of professionals, was suddenly dissolved by politicians in 1979 and its functions transferred to the Ministry of Mines and Steel Development. The NSDA was an agency similar to Temasek Holdings Limited (THL) in Singapore, which is independent of government control (Anwar and Sam, 2006).

The transfer of ASCL to the Ministry of Mines and Steel Development was to make the Ministry have full control of ASCL's resources and management. The transfer was to enable the Ministry to control and direct ASCL. The action of the government in transferring ASCL from NSDA to the Ministry, according to Mohammed (2002b), led to many of the ASCL's activities being done haphazardly and the inflation of the costs of many projects. The transfer was done in order to use the public authority to serve the personal interest of those in authority (Ministry). It therefore can be argued that the transfer was also done in order to ensure that the resources allocated to ASCL are under the control and direction of politicians, their friends and others who are not part of the State structure but take decisions about the State which is one of the aspects of neopatrimonialism

(Nawaz, 2008).

The interviewees in the case analysis contended that the Ministry of Mines and Steel Development had not been considerate to ASCL's plight. Interviewees suggested that ASCL should be autonomous by removing it from the control of the Ministry. This is because apart from ministerial mishandling of ASCL, the Federal Government of Nigeria (FGN) approved N650 million in March 2010 for the reactivation of ASCL and the National Iron Ore Mining Company (NIOMCO), Itakpe, but the Ministry of Mines and Steel Development distanced itself from the Interim Management Committee (IMC), saying that it has no part in its constitution and that also the N650 is outside the mandate of the IMC.

If an independent agency like NSDA had been in place, as soon as the fund was approved the money would have been released to the two organisations immediately. This is in line with neopatrimonialism whereby leaders make public affairs a personal affair (Brinkerhoff and Goldsmith, 2002). Personal judgement and subjective reasoning with the intention of controlling and directing ASCL (neopatrimonialism) made politicians to transfer the functions of ASCL to the Ministry of Mines and Steel Development.

ASCL technology, considered to be outdated

Some of the interviewees claimed that the ASCL machines installed by the Russian experts are outdated and they were dumped by the Russians looking for a place to dump their obsolete technology. Other interviewees countered that if the Russian technology built at Ajaokuta was outdated, why then did the four completed rolling units turn out iron rods and cables during its occupation by Global Infrastructure Holdings Limited (GIHL)? The Russians themselves and Nigerian Association of Technologists Engineering (NATE) vouched for the efficacy of ASCL technology reporting that Nigeria can still excel with the Russian technology in place at Ajaokuta. The technology could be improved upon and need not be completely jettisoned.

There are different interests in ASCL issue. Some are interested in the government abandoning the ASCL technology for another one so that they will have the opportunity of participating in re-awarding the contract. One of the interviewees argued that if ASCL would have been possible to be re-awarded, Nigerian leaders would have done it a long time ago in order to obtain the benefits of awarding it as a new contract. The re-awarding of the contract will be shaped by clientelism (an aspect of neopatrimonialism) where contracts and jobs will be given to friends, kinsmen, or for client-patronage (Ikpe, 2000). The view on the re-awarding of projects for political benefit as expressed by the interviewees is similar to the findings of El-Rufai (2012) and Ubani and Ononuju (2013).

Lack of consistency in government policies

Many projects are neglected in Nigeria. There are about 11,886 neglected projects in Nigeria since independence as reported by Presidential Projects Assessment Committee (PPAC) set up by Goodluck's administration (EL-Rufai, 2012). Interviewees argued that negligence of projects is more rampant in public projects than in private projects. This is because there is no benefit accruing to a government that completes a project embarked upon by its predecessor - and a lack of respect for continuity (Okafor, 2007).

The reason for government inconsistency in policies and priorities, it seems, would involve reference to client-patronage, corruption, nepotism, and re-awarding the projects to party members and supporters as campaign gifts which are the symptoms of neopatrimonialism.

Appointments in parastatals based on political inclination

Governing board members of parastatals, according to the interview participants, are appointed by the government of the day. Their functions are to: formulate policies for the organisation; approve contracts; approve appointments, promotions, demotions and discipline of staff; and approval of the budget of the organization. The board by the above directs and controls the parastatal organisation. However, according to interview participants, appointments of staff, CEO and members of the governing boards and the awarding of contracts are based on political patronage, tribal sentiment, religion, ethnic balancing, the influence of a party strongman, and generous campaign gifts. Research findings from interviews appear to show that in parastatals there is complete neglect for experience, qualifications, men of truth, track records of good character and values.

Governance in parastatals shows the characteristics of neopatrimonialism. The characteristics of neopatrimonialism are corruption, clientelism, patronage, ethnicity, bribery and nepotism. These characteristics are manifested by the governing boards in appointments of staff and in awarding of parastatals' contracts. Governance in parastatals in Africa is said to be based on nepotism, favouritism, patronage, corruption, clientelism and ethnic balancing. This is similar to the findings of Uneke (2010) and Sarbah and Wen (2014)

Lack of accountability to all stakeholders

Accountability means explaining your stewardship to those who keep their resources with you (Roberts and Scapens, 1985). The findings from the interviews of the current study show that in parastatals, accountability means giving report of your stewardship to those who gave you the mandate to serve and to the National Assembly and not to the stakeholders. In bureaucratic authority, the constitution requires that you give accountability to the next higher rank up to the National Assembly, and accountability to the National Assembly is accountability discharged (Mulgan, 1997; Sendt, 2002). No attempt is made to go to their constituencies to relay this information to the

taxpayers. Parastatals themselves, according to interviewees, do not treat their customers with decorum or respect by not informing them when they are going on holidays or stopping operations for a definite period.

One interviewee from the case affirmed that parastatals do not give account to stakeholders because of lack of social contract. However, according to some of the case interviewees, they have the obligation of sending their audited accounts to their supervisory ministry according to law before the concessions. This is in line with the literature that parastatals give account on the basis of subordinate to the superior, CEO, board, ministry and that order to the National Assembly (Mulgan, 1997; Sendt, 2002). There is no accountability to other stakeholders through the mass media as it is being done in the private sector.

However, for there to be accountability there must be a bond of accountability between two parties: there must be giver of resources and managers (Tricker, 1983; Stewart, 1984; Laughlin, 1990; Gray et al., 1996). For instance, accountability is difficult for an undemocratic State where the military rules as accountability is not expected from them (Yinusa and Basil, 2008). This is because accountability to the National Assembly means accountability discharged (Sendt, 2002) and there was no National Assembly during the military rule and no mandate was given to them by the general public.

The accountability in parastatals is from politicians to politicians meaning the accountability to the cabals who recommended them for that position rather than the people who own the resources. Since this system of accountability works according to the principles of garbage in garbage out, it would then be logical to believe that neopatrimonialism in governance produces “neopatrimonialistic accountability.” This accountability is just to fulfil all the bureaucratic and constitutional requirements and therefore decorative. Accountability in Africa has been difficult because of the long military rule (Yinusa and Basil, 2008). There was no mandate given to the military and because of that they cannot give account of their stewardship to anybody (Yinusa and Basil, 2008).

Ineffectiveness of anti-corruption agencies

The two main anti-corruption agencies put in place to deal with corruption and economic crimes in Nigeria are the Independent Corrupt Practices and other related offences Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC). Their functions are to curb bribery, corruption, to fight economic and financial crimes; investigate, prevent and prosecute those that have committed corrupt offences (ICPC Act 2000; Sec.46, EFCC Act 2004; Iyoha and Oyerinde, 2010). These organs, according to interviewees, are weak; the judicial system is also weak and the

implementation poor. The interviewees also noted that these agencies teach people what to do to get their freedom; the accused persons hire senior lawyers to defeat the cases of anti-corruption agencies in courts; government interferes in the operation of the agencies; they lack funds and manpower; there is no protection for whistle blowers; and no special court for the trial of the accused persons. These weaknesses lead to miscarriage of justice and therefore interviewees suggested a special court for the EFCC.

The findings from the interviews revealed that several of the accused persons who have cases with EFCC have their cases quashed because of government interests, interventions, and showing favouritism (impunity) to some people. The slogan in Nigeria is “if you come to the ruling party and become a member, your sins are forgiven”. The actions of the government have made the ICPC and EFCC not to perform effectively.

5. Conclusion and recommendations

The central question is: “How is Corporate Governance carried out in Nigeria in relation to Ajaokuta Steel Company Limited which was established in 1979 and certified 98% complete in the 1990s but has not been completed to start production of steel? The following emerged as the reasons why ASCL has not been completed based on the documents consulted and interviews conducted: (i) lack of political will; (ii) international and local politics; (iii) military incursions in politics; (iv) corruption; (v) ASCL's location; (vi) NSDA's dissolution; (vii) ASCL technology considered to be outdated; (viii) Lack of consistency in government policies (ix) Lack of accountability to all stakeholders (x) Ineffectiveness of anti-corruption agencies. Neopatrimonialism theory was used as a search light to find the problems of ASCL.

The industrialisation of a country depends on its access to iron and steel. The establishment of ASCL in the 1970s was a beacon of hope to Nigeria and indeed to the whole Africa. Many benefits will accrue to Nigeria if ASCL is completed. It will generate employment for the people of the country and will help in the diversification of Nigerian economy from mono-cultural economy to multi-cultural economy. It will be complementary to oil (Petroleum) which today is the major income earning resource to Nigeria. ASCL, if completed, will be a source of revenue to the company, will generate electricity, brings incomes to individuals who buy and sell steel products, revenue in form of taxation will accrue to the government and Nigeria will earn foreign exchange. Nigerians and beyond use steel products for building houses; manufacturers of cars use steel to produce cars, and cooking utensils, agricultural implements, military weapons, bodies of planes and ships are products of steel. It will enhance the industrial development of Nigeria by making small scale industries to spring up selling spare parts, roofing sheets and other steel products for building houses. Good and quality

schools will be established in and around the steel complex. The steel company will be a source of social activities integrating diverse cultures and tribes thereby exposing Nigeria to the outside world for good. When Ajaokuta Steel company becomes functional the country and beyond will witness improvement in economic growth, unemployment reduction, stabilization of forex market and improvement in our foreign reserves.

From the foregoing, it is recommended that: Government should exercise strong will politically to complete ASCL. Diverse Governments should be consistent in their policies and monitor their implementations. Governance is a continuum, therefore a new government should continue with the projects initiated and embarked upon by the previous governments. The military should face their constitutional/professional calling. Ajaokuta Steel Company Limited (ASCL) should have a conglomeration of professionals as a supervising agency instead of the Ministry of Mines and Steel Development to avoid political interference. Also because there is no management independence, inappropriate performance measurement and reward systems making parastatals unattractive to ambitious professionals, and decision-making follows bureaucratic procedures, it is better a professional agency be established to oversee ASCL. Those in position of leadership should shun sentiments and ethnicity. A special court should be established for the EFFE and ICPC to enable them prosecute economic crime offenders to hasten judgements to prevent unbiased justice.

The study is limited to ASCL because of the complexities of ASCL. The study contributes to the literature on corporate governance in Nigeria. The existing literatures are on developed world which have a different environments and cultures from developing world like Nigeria. Further study may compare two or three steel companies that have similar stories.

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THE NEED FOR PEACEFUL COEXISTENCE BETWEEN MUSLIMS AND CHRISTIANS IN ADAMAWA STATE

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ABSTRACT

Religion is a powerful constituent of cultural norms and values because it addresses the most profound existential issues of human life. The teachings and practice of moral formulations that support peace building, social justice, love, tolerance and harmony within and between humanity and divinity. Promoting peaceful coexistence among the Muslims and Christians in the World. Peace building, love and tolerance have been identified as critical to the achievement of national goals. This paper seeks to promote peaceful coexistence between Muslims and Christians in Adamawa State. Through various peace building activities Alternative Dispute Resolution, Tolerance and Peaceful Coexistence, Religious Heritage, peace justice and equality. It also draws recommendations and suggests the way forward.

INTRODUCTION

Conflict is as old as the family institution and it exists in many spheres of life. It is a process that begins when one party or group perceives that another party or group has negatively affected, or is about to negatively affects something that the first party cares about Thomas (n,d). Conflict can arise in virtually any social setting, be it between or within individuals, groups, communities, tribes, states or nations. Conflict brings about change and change also brings conflict and both are inevitable part of life (Kriesberg, 2010).

According to R. Scott Appleby (2012), "In helping resolve conflicts in Nicaragua and Nigeria, peacemakers worked within the political process, while in the Philippines, South Africa, and Israel/Palestine they remain external to it. In East Germany at the end of the cold war, Christians operated on the margins during the initial stages of the revolution but later assumed key roles in the political transition.

Therefore Christians and Muslims are more alike than different. Because Jesus taught that there is only one God and only God should be worshipped as taught in Deut 6:4, Mark 12:29. Muslims also believe this as taught in the Qur'an verse 4:171.

The peaceful coexistence of individuals through the virtue of love and tolerance are important and dynamics in human existence and are central in the efforts to reform ourselves for constructive roles in society. The people of Adamawa State having diverse ethnic, cultural and religious and political different needs to unite themselves for the development of the state. In every society where people showed love and tolerance it will strengthened relationship are bring up development in their respective communities. This paper aims to enhance the religious and ethnic harmony between the two major Religions in Adamawa State with it diverse ethnic and tribal groups through love, tolerance and peaceful coexistence. The paper also, draws areas of inspiration and challenges that can be appropriated in Adamawa State.

Objectives of the Study

This research work intends to look at the best approach to be used in the needs for peaceful coexistence between the Muslim and Christian in Adamawa State

The general concern can be realized through the following

1. To ascertain the effort of interfaith organizations toward peaceful coexistence programmes in Adamawa State.
2. To identify the factors that negatively affects peaceful coexistence among the two religion in Adamawa State.
3. To determine the level of awareness made by religious leaders on the need for love and tolerance in Adamawa State.

Literature Review

Galtung's (2014) theory of the peace potential of religions essentially focuses on the factors that can make religions prone to promoting violence and then extrapolates from these to identify and develop the factors that lend to the potentiality of religions to maintain or build peace, arguing that the latter can and should be promoted. Although he notes that different religions have different degrees of potential to promote peace, he clearly acknowledges that there is no automatic connection between the belief system of a specific religion and the use of force by its followers. He also rejects the notion of 'religious conflicts' as conflicts are multi-dimensional and complex and cannot usually be reduced to only one causal factor (Galtung 2014). To understand the peace potential of religions, he looks to what extent religions are prone to promote or reject direct violence and structural violence.

With regard to direct violence, Galtung (2014) argues that the idea of 'being a Chosen People' and the

value of 'aggressive missionaryism' built into the core belief system of a religion can lead to direct violence perpetrated by its followers. 'Holy War' and 'Just War' become terms used to justify the use of violence against other people. He notes that all religions advocate a special relationship with their god(s) and fellow believers, thus creating in-groups and out-groups. However, different religions also have different potentials to promote other forms of structural violence, such as economic exploitation and political repression. Galtung (2014) cites the example of slavery, which was legitimised in religious terms by some Christians.

Based on this theory, Galtung (2014) develops a generalised model of major religions in the world and classifies them according to their inherent potential to reject both direct and structural violence. Most importantly, he argues that, in general, Hinduism rejects both forms of violence and thus has a large potential for peace.

However, Hinduism is less than explicit about rejecting direct (physical) violence, and it also tolerates and promotes structural (cultural) violence through its caste system. Islam rejects a societal caste system (structural violence), but is prone to promote direct violence through its doctrine obliging all its followers to defend the faith. Other religions, in particular Christianity, are predisposed to promote both structural and direct violence. Galtung clearly accepts that this theory is a general one, and that there are many possibilities to cite counter-examples. However, he uses his theory mainly to justify the need for more dialogue, both intra-religious and inter-faith, which can promote the peace potential of religions.

(Mac Culloch 2010).

On the other hand, provides a thought-provoking and profound analysis of Christian justifications for the morality and even the necessity of war, based on a thorough review of the long tradition of the just war theory in Christian thinking, combined with modern insights into international relations and the realities of war. By doing so, he aligns himself with the great Christian philosophers behind the just war theory, and adapts it to the modern world. He argues that war can sometimes be a necessity and that therefore, the Christian just war theory ultimately helps to end conflict and promote peace. Muslim scholar Abu-Nimer (n.d) argued that Islam is based on fundamental human values encoded in the Qur'an, related religious writings and the Islamic tradition. Based on those values, Muslim societies have developed a considerable set of non-violent tools for conflict resolution and peace building experiences. Traditional Arab-Muslim mechanisms for dispute resolution include third-party mediation and arbitration in any form of social conflict. Such mechanisms also included traditional reconciliation methods, based on the value of forgiveness and public repentance.

(Abu-Nimer, n.d)

Alternative Dispute Resolution

The idea of Alternative Dispute Resolution (ADR) is about the search for, and application of, “non-conventional” peaceful methods of settling disputes and resolving conflict situations using the least expensive methods, and in ways that satisfy the parties, as well as ways that preserve relationships after a settlement might have been reached. ADR is specially meant to serve as an alternative to the official conventional means of settling disputes, mainly through litigation and the courts, but with preference for non-violence.

The conflict resolution and transformation spectrum consists of a range of options employable for non-violent management of conflict. These can be classified into two, namely the voluntary processes, and the involuntary processes. The voluntary processes are those in which parties have some control over the outcome. They include fact finding, in-depth research and case studies, facilitation, negotiation, conciliation, mediation and brokerage. The involuntary processes on the other hand, are more often than not, outside the control of the parties to the conflict. Even though they may be non-violent, the third parties who broker the process may sometimes hand down outcomes, which the parties have to accept either in principle or in law. These options include arbitration, adjudication and law enforcement (otherwise called crisis management) using the coercive apparatus of state. (Shedrack, Eds. 2012).

Effective Conflict Management Strategy

Effective conflict management strategies can minimize the negative impacts of conflict on different parties and help create a trusting environment that builds healthy and improved interpersonal relationship, peaceful co-existence, economic growth and national development (Ramin, 2011). Thus, conflict management is interference in an on-going conflict process with the objectives of: reducing the level of destruction and violence; and preventing its escalation into other areas. Just as causes of conflicts are diverse so also are the strategies to curb or manage them. Thomas (n.d) identified five conflict management styles: competitive; collaborative; compromising; avoiding; and accommodating. However, Goldfien & Robbennolt (2007) opined that the dual thrust model of conflict management is based on two underlying themes: pro-self (that is concern for self) or pro-social (that is concern for others) goals and that the interaction between these two themes gives rise to the five conflict management strategies which are:-

- i). Avoidance Conflict Management Strategy: Conflict manager who adopt this style allow the conflict to phase out on its own through inaction and passivity. This conflict management approach is usually adopted when the manager is not concerned about their own outcomes (pro-self) or that of others (pro-social) (Goldfien & Robbennolt, 2007). Avoiding has the advantage of giving time to better prepare and collect information before acting and is a low stress approach when the conflict duration is short. On the other hand, withdrawing may lead to weakening or losing of position as it may be interpreted agreement, which may make

matters worse. Where there are many stakeholders, withdrawing may negatively affect relationship with another party that expects the action of the conflict manager. Also important decisions may end up being made by default.

ii). **Yielding Conflict Management Strategy:** Also termed accommodating or smoothing approach. It is adopted when conflict managers are determined to meet the needs of others and have a general concern for maintaining stable, positive social relationships and harmony (Forsyth, 2009). It sometimes enhances the protection of more important interests while giving up on less important ones, as well as provides the opportunity of reassessing the situation from other angles. The approach could leave the adopter subject to abuse as opponents may always expect shifting of grounds in their favour. This strategy may turn off some supporters as credibility and influence can be lost.

iii). **Competitive Conflict Management Strategy:** This approach involves the use of force to get the other party to accept the conflict manager's view. This strategy maximizes self-assertiveness and minimizes empathy (that is concern for others). The conflict managers see conflict as a challenge of win or lose. The benefits of this approach are that it provides a quick resolution to a conflict and increases self-esteem. However, the shortcomings of this style are that it could escalate the conflict and the relationship between the parties would be negatively affected. This approach might require a lot of expenses or resources and does not allow the conflict manager to take advantage of the strong points of the opponent's position. More so, losers might want to retaliate.

iv). **Cooperation Conflict Management Strategy:** Also termed collaborating approach. It is adopted when the conflict managers are highly interested in both their own outcomes and the outcomes of others. This style sees conflict as a creative opportunity of which investment in time and resources could find a win-win solution (Forsyth, 2009). It might require structural changes as other possible alternatives in resolving the conflict are reviewed given available information at hand and unwanted options are discarded. Decisions usually take careful consideration and analysis. The merits of this approach are that it pilots actual problem solving, reinforces mutual trust and respect, and provides a base for effective future collaboration, Notwithstanding, the all parties must be committed to finding a mutually acceptable solution and this might be more tasking and time consuming compared to other methods. Also this strategy might be impractical when a quick response is needed.

v). **Conciliation Conflict Management Strategy:** Also termed compromising approach. It is adopted when conflict managers' value fairness and in doing so, anticipate mutual give-and-take interactions. This approach enhances faster issue resolution, reduces tension and friction till a win-win solution could be achieved. However this could also result in a loss-

loss situation if initial demands are too great. It also does not contribute to trust building in the long run as it could spawn cynicism if there is no commitment to honour.

Important values and long term objectives could be derailed in the process. This strategy requires close monitoring and control to ensure agreements are met. It is pertinent to state here that effective conflict management strategies are not completely determined by concerns for self or concern for others but might be sensitive to value judgment of other variables such as culture, value system, religious belief etc., hence the use of traditional rulers and clergies in conflict resolution. ... Jeong, (Ed.). (n.d).

Stages of Conflict

The **Conflict Resolution Stakeholders' Network (CRESNET) Training Manual (2001)**. Outline the various stages of conflicts emerging in different parts of the world to include:

i. The Formation Stage

This is the first stage of conflict whereby a problem emerges and acts or things, or situations that were previously ignored or taken for granted now turn to serious issues. The obvious antagonistic shifts in attitude and a behaviour patterns is a clear indication of the early warning signs of conflict formation, which need to be addressed if further escalation is to be avoided.

ii. The Escalation Stage

This stage is characterised by the formation of enemy images. People begin to take sides, positions harden, communication stops, perception becomes distorted and parties begin to commit resources to defend their position, leaders begin to make inflammatory public statements regarding their positions and street demonstrations intensity

iii. The Crisis Stage

At this stage, parties in conflict now begin to use physical barricades to demarcate their territories. Attempts to defend or expand territories or interests lead to direct confrontation and eruption of violence. Stockpiled weapons or arms are now freely used in an attempt to dominate or have upper hand leading to breakdown of law and order and essential. Services are virtually disrupted and people begin to experience discomfort due to lack of water, food, electricity and other essential goods and services.

iv. De-escalation Stage

This is the stage in which parties in conflict begin to experience gradual cessation of hostility arising from conflict weariness, hunger, sanctions or external intervention.

v. Improvement Stage

At this stage, stakeholders begin to have a rethink, shift ground and needs for dialogue are recognised and efforts are made towards attaining relative peace.

vi. Transformation Stage

All causes of conflicts have been removed at this stage and reconciliation has occurred. This stage is the most difficult stage to attain in any conflict situation, though desirable, attainable and accomplishable.

Understanding Tolerance and Peaceful Coexistence

Tolerance is a subject, on which both Islam and Christianity dwell significantly, pointing to why we do not need to be intolerant of God's own creation:

“Let not him that eats despise him that eats not; and let not him which eats
Not judge him that eats: for God hath received him” (Romans 14:3
King, 2004).

In the Holy Quran, tolerance is acknowledged as a basic principle, and it is recorded in Al-Furqan (25:63) thus “And the servants of (God) the All- Merciful are those who move on the Earth in humanity, and when the ignorant address them, they say: 'peace'.” Similarly, in Al- Qasas (28:55) it is stated that:-

“And when they {the servant of God} hear vain talk, they turn away their
form and say: to us deeds, and to you yours.”

The religious leaders of the two religions in the State have a significant role to play in teaching love, tolerance and peaceful coexistence respective of their ethnic, culture, and religious difference (Kamil, ed. 2016).

Speaking peace is really to speak much more than the simple absence of war. It is to postulate a condition of authentic respect for dignity and rights of every human being”. Secondly from the biblical perspective, peace goes beyond mere absence of war because it represents the fullness of life (Mal.2:5) peace and violence cannot dwell together, and where there is violence, God cannot be present since God is love John Paul II (1985).

Religious Heritage

Many people did not freely choose their religion. Some people were born Christians and were told that Jesus Christ is the way, the truth and the life. Christians grow up to learn that no one can reach God the father except through Jesus Christ. After the reformation in the 16th century, Christians were taught that outside the church, there is no salvation. In the name of Jesus every knee must bow (Philippians 2, 10). The Christian child who grows up with these convictions develops pity for whoever is not a Christian because for him, the surest way to heaven is to follow Jesus Christ. According to John 3:1-16 II Corinth 5:17, “A Christian is anyone who is a follower of Jesus Christ and whose behaviour and character is Christ-like.”

On the other hand, the Muslim child is instructed that Islamic religion is the right path to follow.

As a Muslim one has to believe with the oneness of God that; “I believe that there is no God but Allah and Prophet Mohammad is the messenger of God”. Abdullah, (2006). One can also believe that Jesus is the messenger of God not the Son of God as a Muslim you have to accept all prophets and books sent to different peoples throughout history and regard believing in them is as an essential principle of being a Muslim. (Kamil, ed. 2016).

Peace Justice and Equality

There are many unjust and unequal societies that are not at war and are in relative peace, but it is a peace which is the product of oppression and fear. In many parts of the twelve northern states, there has been a persistent cry by Christians over the denial of access to places of worship. In many cases when wishing to follow the routine land seeking procedures Christian minorities are told that if they want to acquire land they should not directly apply to build churches. Some states specifically tell Christians to whom they allocate land that they are not allowed to build churches. Most of the violence witnessed in Adamawa state persists because of ethnic crisis between farmers and herdsmen, and lack of political will by government to enforce its own laws. (Abubakar, 2017).

Conflict Theory

The study used structural conflict theory adopted by Gabriel Almond & Bingham Powell in 1970. The main argument of the structural conflict theory is that conflict is built into the particular ways societies are structured and organized. The theory looks at the social problems like political and economic exclusions, injustice, poverty, disease, exploitation, inequality etc. as sources of conflict.

The basic theoretical proposition is that in all social systems, certain basic functions have to be performed. The central question is “what conditions, in any given system”. According to this approach, a political system is composed of several structures which are patterns of action and resultant institutions. These institutions and patterns of action have certain functions which are defined as an objective consequence for the system. (Enwere, 2015).

However, Structural theory is remarkably strong on the immediate and underlying factors that lead to conflict. It explains that economic, social, political and institutional factors, discriminatory political institutions, intergroup politics, elite cohesion, security factors as well as ethnic factors all contribute to the emergence and escalation of conflicts. Other problems of overpopulation, economic underdevelopment, uninterested social and political institutions, as well as demographic factors that put pressure on human settlements and available resources (as seen with the Farmers and Herders clashes across the Middle-Belt region in Nigeria) are also major factors responsible for emergence of internal conflicts. Holborn, (n.d).

Conclusion

Religious leader in Adamawa State are challenged to preach and teach religious truths and principles, which will promote dialogue, love, tolerance, and mutual coexistence between Muslim, and the Christians. A dialogue will developed necessary process of love and tolerance among the followers of all the religions and they will find ways to get closer and assist each other.

However, it's important for Nigerian Muslims to critically review their understanding and practice of Islam in the light of the conditions and requirements of our age and the clarifications provided by our collective historic experiences. This does not mean a depart from the cumulative Islamic tradition but rather, an intelligent questioning so we can confirm the true teachings of the Quran and the

Sunnah moral teachings of the holy Prophet (SAW). On the other hand for the Christians, Jesus Christ provided radical options towards mutual dialogue among peoples irrespective of their race, gender and social status, while emphasizing virtues of love, compassion, good neighbourliness, reconciliation, forgiveness and peaceful living.

Recommendation

The Nigerian inter religious councils (NIREC) which comprises leaders of Christians association of Nigeria (CAN) and Muslim councils should redouble their efforts by creating more awareness and understanding among the various ethnic groups in the state on the need to live in peace and harmony. The ethnic's organizations like Tabital Pullaku International Organization (TPIO), and the Young Farmers Association of Nigeria (YFAN) has a significance role to play in educating their members to embrace love, tolerance, and peaceful co-existence in the state so as to avert any conflict or clash between the herdsmen and farmers that can generate to religious crisis in Adamawa State.

The Pulaaku FM Radio in Yola owned by the Emir of Adamawa Lamido Barkindo Aliyu Mustapha that broadcast its programmes mostly in Fulfulde language can play a significant role in enlightening and educating the herdsmen and farmers on the need to leave in peace, love and tolerance among the various ethnic group in the state.

Since there is no religion that teaches followers violence and social conflict in the world, it is time for Muslims and Christians in Adamawa State to unite and embrace love, tolerance peaceful coexistence and mutual understanding and to enhance a good standard of living in Adamawa State and Nigeria at large.

The federal, state, local government and other wealthy individuals in the state should give moral and financial support to religious leaders and inter-faith organizations in the state in their effort to build peaceful coexistence between Muslims, and Christians in Adamawa State.

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INTERNATIONAL CRUDE OIL PRICE VOLATILITY AND THE PERFORMANCE OF THE NIGERIAN NATIONAL PETROLEUM CORPORATION OF NIGERIA

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ABSTRACT

This work evaluated the international crude oil price volatility and the performance of the Nigerian National Petroleum Corporation of Nigeria. The specific objectives were to evaluate the extent of the effect of world crude oil supply, world crude oil demand, domestic Premium Motor Spirit (PMS) prices, and the International Crude oil Price volatility on the performance of the Nigerian National Petroleum Corporation of Nigeria. The study adopted an ex-post-facto research design. The data employed in this research work consist mainly of secondary data relevant to the study and were sourced from published sources. The research work was a census study, using the NNPC companies selected as the basis for making inferences about the population. Secondary data collected were analyzed using Descriptive Statistics and Correlation Analysis. The posited hypotheses were tested for significance using Logistic Regression Linear Regression with univariate one variable, Multivariate regression analyses, Correlation analyses, T-test, and Logistic Regression analysis. The findings showed that all the proxies of the independent variable (World Crude Oil Supply, World Crude Oil Demand, International Crude oil Price, and Domestic PMS Prices) had significant effects on the performance of the Nigerian National Petroleum Corporation of Nigeria proxied by profitability. World Crude Oil Demand and Domestic PMS Prices had the highest significance on the profitability of NNPC. The study recommended amongst others that NNPC should ensure that the quality of Nigeria's crude oil is of premium quality and the official selling price should be market-reflective to attract enough demand and that the deregulation of the PMS market already announced by the Government should be fully implemented to ensure that the market forces determine the accurate domestic price of PMS and eventually eliminate all the issues surrounding subsidies and under-recoveries.

Keywords: Oil price volatility, Performance, NNPC, Crude oil

INTRODUCTION

Crude oil is perhaps one of the most important internationally traded commodities, given its influential role in the world economy especially in terms of its ability to provide energy to homes, industries, hospitals, schools, etc, and its significant effects in other sectors of the national economies. Crude oil means a mixture of hydrocarbons that exists in the liquid phase in natural underground reservoirs and remains liquid at atmospheric pressure after passing through surface separating facilities. Crude oil is a naturally occurring fossil fuel that comes from the remains of dead organisms.

Since the 1970s, the oil price volatility has also spurred the interest of academics, policymakers, and practitioners in studying the relationship between oil price volatility and economic activity. The term “price volatility” is used to describe the price fluctuations of a commodity. Therefore, high levels of volatility reflect extraordinary characteristics of supply and/or demand. The oil price volatility depends on the combined effects of invariant and variable factors. Invariant factors include feedstock prices, exploration costs, drilling costs, chemical composition of oil, production costs, distribution costs, marketing costs, and packaging and storage costs, while the variable factors include global economic activity, level of production, level of consumption, the exchange value of the US Dollar (\$), current supply and demand, geopolitical reasons, weather-related developments, and political events. Supply factors have played a more important role than demand factors in driving the 50% drop in the oil price between mid-2014 and early 2015.

The Nigerian National Petroleum Corporation (NNPC) is Nigeria's national oil company (NOC) established in 1977 with the sole objective of monitoring the stake of the oil-producing companies in the exploitation of its resources (NNPC Act). Subsequently, multinational Oil Companies were mandated to operate under Joint Operating Agreements (JOA) which specified respective stakes of the companies and the Nigerian Government. It was also set up to participate directly in all aspects of the petroleum industry through equity holdings in the oil companies and technology acquisition by indigenes. By design, the NNPC was designed to be an 'expert' in the industry. The NNPC supports the government to achieve its goals of rapid industrial and commercial development of the country.

The global oil and gas industry was hard hit by the volatility in oil and gas prices, demand destruction, and a weak global economic outlook significantly affected by the Covid-19 world pandemic. The year 2020 was enveloped by the outbreak of the dreaded pandemic called Coronavirus (COVID-19). This led to fluctuations in both prices of petroleum products and crude oil. The consequent high rate of volatility in the international oil prices had significant impacts on the oil companies.

It was becoming apparent that Nigerian producers could not cope with the Saudis in the market. Investment in oil fields was becoming less attractive as companies could start to face liquidity

problems making production difficult. For many operators in the industry, crude oil prices were becoming close to the cost of production per barrel. This led to the Federal Government's decision to review the 2020 budget and the Medium-Term Expenditure Framework for 2020-2022. The revised budget with a new benchmark of \$25 per oil barrel, and a target production rate of 1.94 million barrels per day and then an exchange rate of N360 to \$1, amounts to N10.5 trillion, a difference of about N71.5 billion when compared to the initial approved budget (Akinpelu, 2020).

Nigeria is highly vulnerable to internal and external oil price shocks on all aspects of the economy. The mono-product structure of the economy is heading Nigeria nowhere particularly as the country's "sweet crude is turning sour". Furthermore, from the breakdown and critique above, it is obvious that the impact of the volatility of the international crude oil prices will have far-reaching implications on the Nigeria economy as it will lead to job losses and layoffs and if nothing is done quickly to bolster the sector will lead to more drastic loss of revenue and continuous cuts in our national budgets and which will increase more hardship on the populace.

The motivation for this study emanated from the fact that as Africa's largest economy and the continent's top crude oil producer, Nigeria is always the worst hit in the price volatility of crude oil in the international market. As crude oil plays a major role in global economic activity, understanding the volatility of its price is of paramount importance. For risk managers, oil price volatility impacts hedging and the assessment of projects whose cash flows are influenced by the expected price of the commodity. Long-term uncertainty in future oil prices can alter the incentives to develop new oil fields in producing countries. This can also hinder the implementation of alternative energy policies in consuming countries. The significance of addressing these gaps underpins the necessity for this research work.

Objectives of the Study

The main objective of this study is to determine the effect of the international crude oil price volatility on the performance of the Nigerian National Petroleum Corporation of Nigeria from from 2015 to 2020..

The specific objectives are to:

- Evaluate the extent of the effect of world crude oil supply on the performance of the Nigerian National Petroleum Corporation in Nigeria.
- Investigate the extent of the effects of world crude oil demand on the performance of the Nigerian National Petroleum Corporation in Nigeria.
- Analyze the effect of the domestic Premium Motor Spirit (PMS) prices on the performance of the Nigerian National Petroleum Corporation in Nigeria and
- Evaluate the effect of the International Crude oil Price volatility on the performance of the Nigerian National Petroleum Corporation in Nigeria.

LITERATURE REVIEW

This section comprises the Conceptual review, theoretical review and the Empirical review which exposes the models used in related works.

Conceptual Review

Crude Oil Prices: Crude oil prices measure the price of various barrels of oil. The price of oil influences the costs of other production and manufacturing across the economies. For example, there is a direct correlation between the cost of gasoline or airplane fuel to the price of transporting goods and people. A drop in fuel prices means lower transport costs and cheaper airline tickets. The volatility of oil prices is inherently tied to the low responsiveness or "inelasticity" of both supply and demand to price changes in the short run. Both oil production capacity and the equipment that uses petroleum products as their main source of energy are relatively fixed in the near term.

International Crude Oil Price Volatility: Volatility is the amount and frequency of price changes (Amadeo, K, 2021). It measures how wildly they swing and how often they move higher or lower. These can be the prices of just about anything. It refers to the degree to which prices fluctuate. It is not directly observable and is estimated from the price change. The term "price volatility" is used to describe the price fluctuations of a commodity. Volatility is measured by the day-to-day percentage difference in the price of the commodity. The degree of variation, not the level of prices, defines a volatile market. Volatility provides a measure of price uncertainty in markets. When market prices tend to change a lot over relatively a short time, the market is said to have high volatility.

Organisational Performance: The traditional paradigm in performance evaluation places emphasis on financial measures as drivers of organizational performance. This paradigm has of late come under criticism from academics and practitioners for its failure to capture important aspects of corporate performance when wealth creation is associated with intangible and non-financial resources within dynamic markets. Critics of the traditional measures advocate for performance indicators that are aligned to the company's strategy (Elena-Iuliana (2016). The emergent paradigm in performance evaluation places emphasis on combining financial with non-financial measures. Non-financial measures such as customer satisfaction, operating efficiency, productivity, innovation, etc. are touted as the panacea to address some of the weaknesses of the traditional measures. Non-financial measures are by themselves without controversy.

The content of this definition is found in the work of the author Matei, L. (2006) and is graphically represented in the following figure:

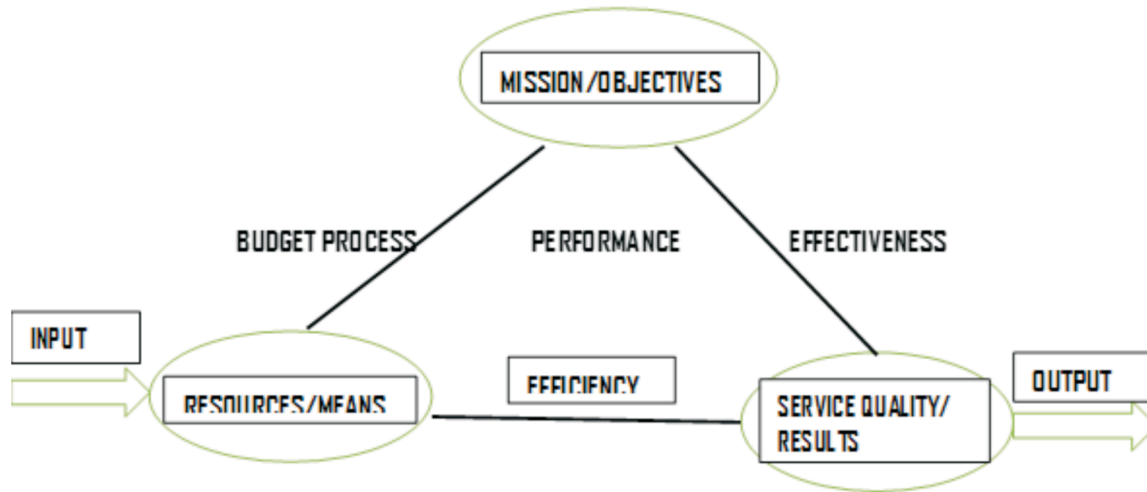


Figure 2.2 Definition of Performance

Source: Matei, L., Management public (Public Management) – Second Edition, Economic Publishing House, Bucharest, 2006, page 192.

Empirical Review

Empirical review exposes the models used in earlier related empirical works. Shuddhasawtta, et al (2009) empirically examines the impact of oil price volatility on key macroeconomic indicators of Thailand. This followed the work done by Andersen et al. (2004) showing how oil price volatility is measured by using the realized volatility (RV). The impact of the oil price volatility is investigated using the vector auto-regression (VAR) system. The Granger causality test, impulse response functions, and variance decomposition show that oil price volatility has a significant impact on macroeconomic indicators, such as unemployment and investment, over the period from 1993Q1 to 2006Q4. The empirical results from the Granger causality test show that there is a unidirectional causality running from oil price volatility to investment, unemployment rate, interest rate, and trade balance for the whole data period. The study revealed that the nature of the relationship between oil price volatility and economic indicators is a short-term one. A VAR for the post-crisis period shows that the impact of oil price volatility is transmitted to the budget deficit. The floating exchange rate regime introduced after the crisis may be the key contributor to this new channel of impact.

Salisu and Fasanya (2013) carried out a study on Modelling oil price volatility with structural breaks in two prominent markets namely West Texas Intermediate (WTI) and Brent. They analyzed oil price volatility using the two recently developed unit root tests namely the Narayan and Popp (2010) (NP)

test and the Liu and Narayan (2010) (LN) test, both of which allow for two structural breaks in the data series while modifying the LN (2010) to account for leverage effects in oil price. They found two structural breaks that reflected a major global crisis in the oil market, with evidence of persistence and leverage effects in oil price volatility.

Yue-Jun (2013) in his study on Speculative trading and WTI crude oil futures price movement: An empirical analysis, empirically studied the influence of speculators' positions on WTI crude oil futures returns. The results indicate that, first, the instantaneous feedback of speculators' position change on crude oil price return proves statistically significant and dominates the linear feedback relationship between them during the sample period although speculation does not appear a significant driver of crude oil price movement in the lead-and-lag sense. Second, the contemporaneous influence of speculators' positions on oil price takes evident linearity but weak nonlinearity. Third, when the oil price has high (low) volatility, non-commercials' position change may exert a significant (insignificant) linear shock on oil price returns. And whether crude oil price stays in high or low volatility, the nonlinear influence does not appear significant. Finally, the linear influence appears symmetric when the crude oil price goes up and down, but the nonlinear influence takes asymmetric feature; and neither of linear and nonlinear influence is symmetric when crude oil price experiences high and low volatility.

Salah (2016) researched the effects of oil price shocks on the economies of the Gulf Co-operation Council countries. The empirical method used is the nonlinear co-integrating autoregressive distributed lag (NARDL) model in which short-run and long-run nonlinearities are introduced via positive and negative partial sum decompositions of the explanatory variable(s). The results suggest evidence of asymmetries in all the cases. The research found significant positive oil price changes in all the cases with the expected positive sign, implying that increases in oil price led to increases in real GDP. Conversely, negative oil price changes are significant for only Kuwait and Qatar with the expected positive sign, suggesting that decreases in oil price led to decreases in their real GDP. Further analysis implemented using panel data showed that positive oil price changes increase real GDP and negative changes decrease real GDP. Overall, the results suggested that positive oil price changes have a considerably larger impact on real GDP than negative changes.

Omo and Ismail (2017) examined the fiscal responsibility of the government to oil price volatility in Nigeria during the period 1970-2013. The Researcher opined that it was because no study had analyzed the peculiar fiscal behaviour of the government given the unpredictable nature of oil prices. Yet, government fiscal activities had significantly determined and shaped the growth path of the economy. The multivariate vector Autoregression model was explored for the empirical analysis. The major findings of the study showed that real oil prices had driven government expenditure dynamics and a long-run relationship between real oil prices and government spending, non-oil

growth, inflation, and discount rate differential exists, and no asymmetric effect of oil price shocks on the government spending.

Adegbe et al (2019) evaluated the effect of crude oil price volatility on Nigeria's economy and the national income. The study adopted an ex-post-facto research design. The study covered a period of 22 years from 1995 to 2017. Descriptive and inferential (regression) statistics were adopted for the study. The result showed that oil price volatility has a significant combined effect on Nigeria's economy (Gross Domestic Product, Gross National Product and Per Capital Income). The study concluded that oil price volatility affects national income and Nigeria's economy significantly.

Theoretical Review

Arbitrage Pricing Theory

Stephen Ross proposed the arbitrage-pricing theory (APT) in 1976. It is an asset pricing theory that states the expected return of an investment or a financial asset can be modelled as a linear relationship of various macroeconomic variables or where the degree of correlation to changes in each variable is represented by a beta coefficient. The model-derived rate of return will be used to obtain the price or value of the asset correctly.

The asset value should equal the expected end-of-period asset value or future cash flows discounted at the rate implied by the model. If the asset value changes, arbitrage should bring it back to the line. APT agrees that though many different specific forces can influence the return of any individual stock, these particular effects tend to cancel out in large and well-diversified portfolios. This is the principle of diversification and it influences the field of manufacturing. A manufacturing company has no way of knowing whether any individual will become sick or will be involved in an accident, but the company can accurately predict its losses on a large pool of such risk. Manufacturing companies are corporations and macroeconomic policies can be interpreted as specific types of financial instruments or other variables thus it is natural to apply financial models to manufacturing. The theory assumes a positive relationship between risk and expected return. The APT model is an expansion of the CAPM and describes returns as a linear function of several rather than of one variable. Some of these variables are macroeconomic factors and others are market indices (Sadiye, 2014). The model also attributes the expected return of a capital asset to multiple risk factors, and in the process measures the risk premiums associated with each of these risk factors.

Market Power Theory

The argument for market power builds from Porter's (1980) opinion of positioning the company in its environment using a set of strategies that distinguishes a firm's position among the competitors. One of the strategies to overcome competition is diversification which enables firms to build market power granting them access to conglomerate powers (Barney, 2002). By entering other markets through diversification, firms can gain competitive power in the market not because of their

particular position in that market, but because of their positions in other markets. Gribbin (1976) argued that to attain conglomerate power, a firm must first have individual power in its market. This power then propels the firm to enter new markets through predatory strategies supported by its position, resources, and strength in its current market. A multi-fund approach can give a firm diversification across many asset classes (Yves, 2008). This research work is anchored on the Market Power Theory.

METHODOLOGY

This section reviews the research design adopted in the study, the different sources of the data, the model formulation, and the justification of the instruments used in analysing the data.

This study adopted the expo-facto research design because the events under study had already taken place and data collected are from secondary sources only. This design is also applicable to the study geared towards ascertaining the cause-effect relationship between the independent variable (the crude oil price volatility) and the dependent variable (the performance of Oil Companies with particular emphasis on NNPC in Nigeria). Determining cause-effect relationships among the selected variables is a major aim of most research studies (Onwumere, Onodugo & Ibe, 2013).

The entire data available from the companies over the five years were used for the analyses. The published sources included data on the world supply of oil, World Crude Oil Demand, historical prices of PMS, data from the published accounts of the Nigerian National Petroleum Corporation, and materials from Crude Oil Marketing Division, Petroleum Products Marketing Company Ltd, NNPC Retail Ltd. Data from the Central Bank of Nigeria (CBN), especially their Statistical Bulletin of various editions were also used. Other secondary data sources included; OPEC, annual reports of oil companies, journals, textbooks, articles in reputable journals, conferences and seminar papers and, internet academic materials.

Population, Sample, and Sampling Techniques

The study is mainly on NNPC and some of its selected companies. The research work is therefore a census study, using the companies selected as the basis of making inferences about the population.

Techniques of Data Analysis

Secondary data collected were analyzed using Descriptive Statistics and Correlation Analysis. The posited hypotheses were tested using Logistic Regression Linear Regression with univariate one variable, Multivariate regression analyses, Correlation analyses, T-test, and Logistic Regression analysis.

The test statistic and decision

A test statistic is used to determine this likelihood. Specifically, a test statistic tells how far, or how many standard deviations, a sample mean is from the population mean. The larger the value of the test

statistic, the further the distance, or the number of standard deviations a sample mean is from the population mean stated in the null hypothesis. The value of the test statistic is used to make a decision in Step 4.

When the p-value is less than 1% ($p < 0.01$), the null hypothesis is rejected. $P < 0.01$ is referred to as the criterion for deciding to reject the null hypothesis, although note that when $p = 0.01$, the decision is also to reject the null hypothesis. When the p-value is greater than 1% ($p > 0.01$), the null hypothesis is retained. The decision to reject or retain the null hypothesis is called significance. When the p-value is less than 0.01, significance is reached; the decision is to reject the null hypothesis. When the p-value is greater than 0.01, significance is failed to reach; the decision is to retain the null hypothesis.

Model Specification

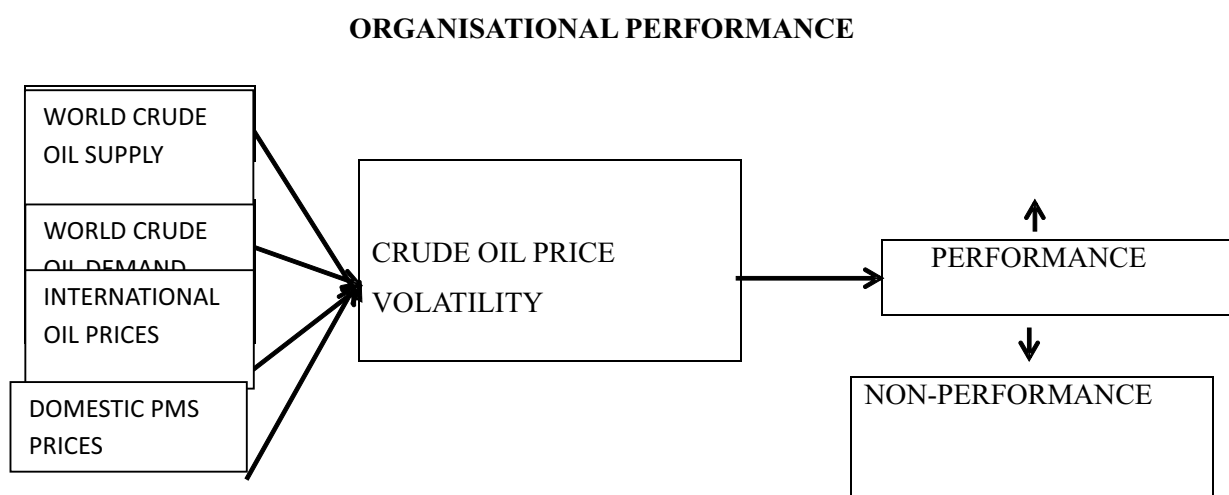
This statistical model is presented below to examine the extent to which Crude Oil Price Volatility affects the Organisational Performance of oil companies with special reference to the performance of the Nigerian National Petroleum Corporation of Nigeria. Based on the study, the linear regression analysis technique was used.

To achieve this, the correlation between the dependent variable with all the four independent variables was calculated. While the dependent variable was proxied by Profitability as performance, the independent variables were: International crude oil prices (ICP), World Supply of Crude Oil (WOS), World Demand of Crude Oil (WOD), and Domestic PMS Price (DPP).

The data used for the empirical analysis which covered the study period of 2015 to 2020 were collected from secondary sources.

Model Formulation

The Structural model of the relationship between Crude Oil Price Volatility and organizational performance in NNPC is as shown below:



Validity and Reliability of Research Instrument

This research work employed the use of Linear Regression analysis (One Variable), Multivariate Regression Analysis (multiple variables), Correlation Analysis, Logistic regression, and T-test analysis to test for significance if the p-values would be less than 0.05.

Using the data, the Researcher looked at the relationship between the dependent variable (PRO) and one of the independent variables (ICP or WOS or WOD or DPP). Multivariate regression is used when there are two or more dependent variables that are to be predicted from two or more independent variables. In this study using the data, the Researcher looked at predicting Profitability (PRO) from ICP, WOS, WOD, and DPP.

A correlation is useful to see the relationship between two (or more) normally distributed interval variables. For example, using the NNPC's data, it was observed that, there was a correlation between two continuous variables, ICP and DPP or WOS and WOD.

Multiple logistic regression is like simple logistic regression, except that there are two or more predictors. The predictors can be interval variables or dummy variables but cannot be categorical variables. If there are categorical predictors, they should be coded into one or more dummy variables. In this study, **PRO** is the outcome variable, and **ICP, WOS, WOD, and DPP** serve as the predictor variables.

DATA ANALYSIS AND RESULTS

The data is presented to study the impact of International Crude Oil Prices (ICP), World Crude Oil Supply (WOS), World Crude Oil Demand (WOD), and Domestic PMS Price (DPP) on Nigerian National Petroleum Corporation (NNPC). The data Proxied by Profitability was collected from 2015 to 2020 as shown in the table below:

Year	ICP	WOS	WOD	DPP	PRO
2015	51	97	96	88	-88523
2016	44	98	97	122	204679
2017	54	98	99	144	725287
2018	71	101	100	143	600551
2019	64	101	101	143	714035
2020	42	94	92	143	98838

Table 4.1: The Price Data

Source: NNPC

International Crude Oil Prices (ICP): Thompson Reuters (Platts)

World Crude Oil Demand (WOD): Thompson Reuters

World Crude Oil Supply (WOS): Thompson Reuters

Domestic PMS Price (DPP): NNPC Retail Ltd (pump price)

Profitability (PRO): NNPC Audited Financial Statements (2020 as a draft)

The four (4) main variables below were the independent variables:

- I. International Crude Oil Prices (ICP)
- II. World Crude Oil Supply (WOS)
- III. World Crude Oil Demand (WOD)
- IV. Domestic PMS Price (DPP);

while Performance proxied by Profitability (PRO) is considered as the dependent variable for this study.

DATA ANALYSIS AND RESULTS

Descriptive analysis of each variable was calculated for the observations. Then the correlation between the dependent variable (PRO) with all the four independent variables - International Crude Oil Prices (ICP), World Crude Oil Supply (WOS), World Crude Oil Demand (WOD), and Domestic PMS Price (DPP) are calculated. A multiple regression model was developed with Profitability (PRO) as the dependent variable and International Crude oil Prices (ICP), World Crude Oil Supply (WOS), World Crude Oil Demand (WOD), and Domestic PMS Price (DPP) as an independent variable by using WS Excel software. Now, to determine the significant difference of World Crude Oil Supply (WOS) with World Crude Oil Demand (WOD) and International Crude oil Prices (ICP) with Domestic PMS Price (DPP), a pair sample t-test was conducted.

Descriptive Statistics

The descriptive analysis of all the variables is shown as follows.

	ICP	WOS	WOD	DPP	PRO
Minimum	42	94	92	88	– 88523
Maximum	71	101	101	144	725287
Mean	54.33	98.17	97.50	130.50	375811.17
Standard deviation	11.33	2.64	3.27	22.49	348896.34

Table 4.2: Descriptive Analyses

Source: Generated(2021)

The mean with standard deviation value of the performance proxied by profitability (PRO, dependent variable) is 375811.17 ± 348896.34 . The minimum and maximum values are – 88523 and 725287 respectively. The mean with standard deviation values of (independent variables) ICP, WOS, WOD, and DPP are 54.33 ± 11.33 , 98.17 ± 2.64 , 97.50 ± 3.27 , and 130.50 ± 22.49 respectively. The minimum values of ICP, WOS, WOD, and DPP are 42, 94, 92, and 88 respectively. Also, the maximum values of ICP, WOS, WOD, and DPP are 71, 101, 101, and 144 respectively.

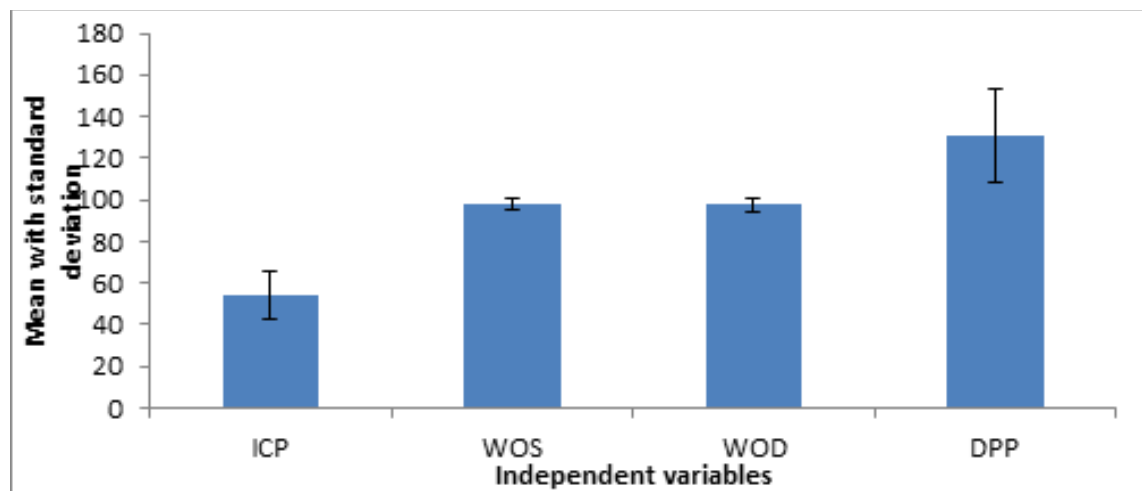


Figure 4.1: Independent Variables

Source: Generated(2021)

From the above figure, it is observed that the Domestic PMS Price (DPP) value has the highest and International Crude oil Prices (ICP) has the lowest impact. While there was no huge variance between the World Crude Oil Supply (WOS) and the World Crude Oil Demand (WOD).

4.5.2. Correlation Analysis

The correlation between Profitability and the World Crude Oil Supply (WOS), World Crude Oil Demand (WOD), International Price of Crude (ICP), and Domestic PMS price (DPP) is shown on the graph below with a colour coding:

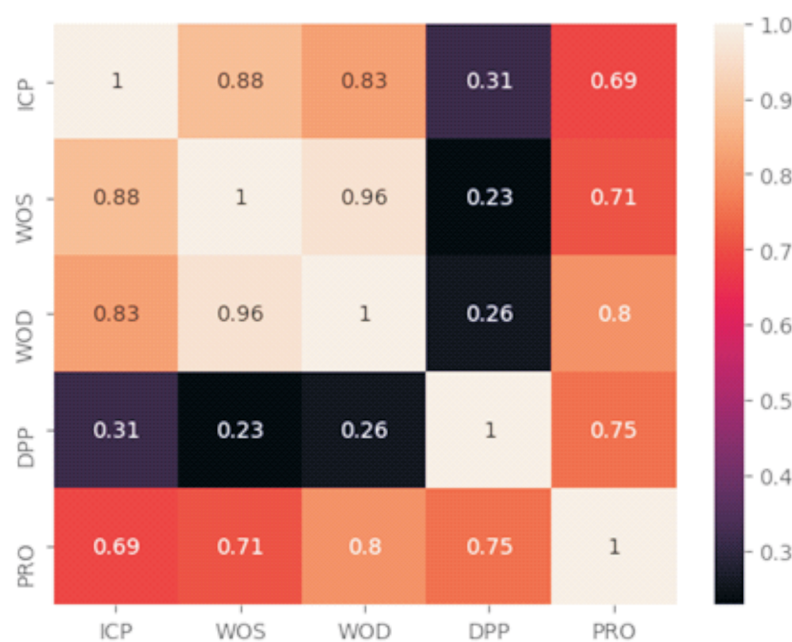


Figure 4.1: Correlation between the Dependent and Independent variables

Source: Generated

The chart above shows the correlation analysis between the dependent variables (organizational performance) which were proxied by profitability (PRO), and the independent variables (international crude oil prices - ICP) which are determined by World Crude Oil Supply (WOS), World Crude Oil Demand (WOD) and Domestic PMS Price (DPP) from 2015 to 2020. It shows clearly that World Crude Oil Demand (WOD) has the highest correlation of 0.8 with organizational performance (PRO).

We also saw that World Crude Oil Supply (WOS), World Crude Oil Demand (WOD) have the strongest positive correlation of 0.96, which suggests that Oil price volatility is mostly caused by demand and supply. Furthermore, there exists a strong positive correlation of 0.83 between international crude oil prices (ICP) and World Crude Oil Demand (WOD). This implies low Oil demand will force the price of crude to fall, likewise, an increase in demand would cause an increase in prices. This was seen in 2020 when oil demand was low due to covid 19 restrictions, the price of crude fell to a historic low. As the lockdown began to ease in 2021, with the lifting of travel bans and economies opening, the demand for Oil increased, oil prices recovered from the historic low to a high of about \$78/bbl. This relationship has a significant impact on organizational performance (PRO). The same strong positive correlation applies between International Crude Oil Prices (ICP) and World Crude Oil Supply (WOS).

LINEAR REGRESSION ANALYSIS – UNIVARIATE (ONE VARIABLE)

Linear regression analysis was conducted to show the significance of the variables to the profitability of the Nigerian National Petroleum Corporation in this section. We started with a simple linear regression model with only one covariate (single variable). The results of the univariate linear regression model and summaries are shown below.

Profitability (PRO) vs International Crude oil Prices (ICP)

The relation between International Crude Oil Prices (ICP) and Profitability (PRO) is shown as follows:

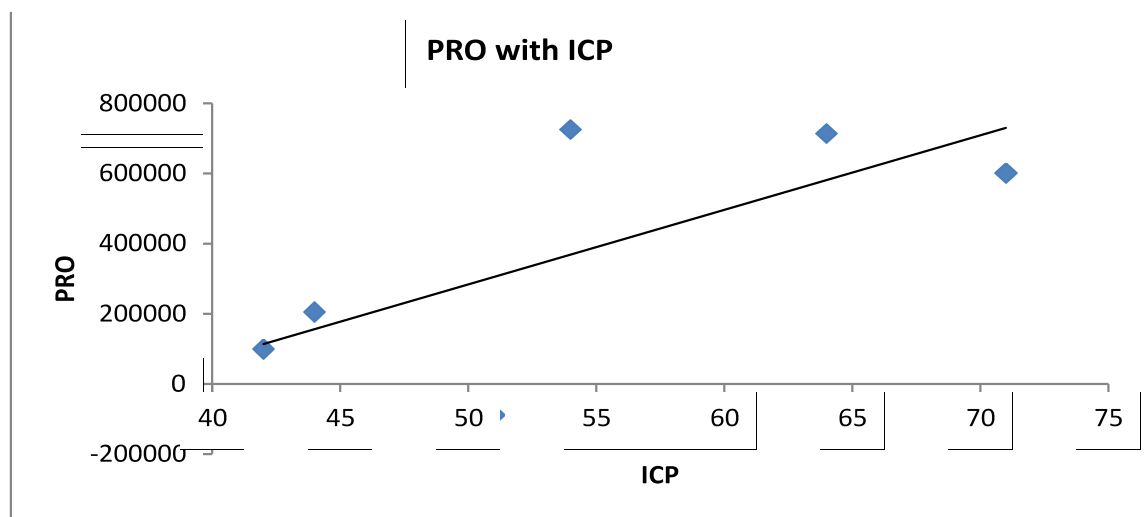


Figure 4.2: Oil Price Vs Profitability

Source: Generated

The relationship line of International Crude Oil Prices (ICP) with Profitability (PRO) shows that with the increase of ICP value, the PRO value increases, and with the decrease of ICP value, the PRO value also decreases. The correlation coefficient between ICP and PRO is 0.69, which is high. So, the null hypothesis H01 is rejected and there is a strong positive correlation between International Crude Oil Prices (ICP) and Profitability (PRO).

MULTIVARIATE REGRESSION ANALYSIS

Multivariate linear regression was used to estimate the relationship between ICP, WOS, WOD, and DPP independent variables and one dependent variable.

It was observed that there is a strong positive correlation between Profitability (PRO) with International Crude oil Prices (ICP), World Crude Oil Supply (WOS), World Crude Oil Demand

(WOD), and Domestic PMS Price (DPP).

The output of multiple linear regression (MLR) between the variables (International Crude Oil Prices (ICP), World Crude Oil Supply (WOS), World Crude Oil Demand (WOD) and Domestic PMS Price (DPP)) and Organizational Performance (Profitability) is shown below:

SUMMARY OUTPUT	
<i>Regression Statistics</i>	
Multiple R	0.9999998
R Square	0.9999996
Adjusted R Square	0.9999980
Standard Error	495.1625
Observations	6

Table 4.3: Summary Output table

Source: Generated(2021)

ANOVA	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	4	6.09E+11	1.52E+11	620593.3	0.000952
Residual	1	245185.9	245185.9		
Total	5	6.09E+11			

Table 4.4: ANOVA table

Source: Generated

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t- Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	-4113524.79	17451.57	-235.71	0.0027	-4335268.05	3891781.52
ICP	4352.32	43.55	99.95	0.0064	3799.02	4905.62
WOS	-111608.67	376.73	-296.26	0.0021	-116395.47	-106821.87
WOD	144554.08	253.68	569.82	0.0011	141330.71	147777.44
DPP	8544.74	10.63	804.02	0.0008	8409.71	8679.78

Table 4.5: Coefficients Analyses

Source: Generated(2021)

The multiple regression model of the performance is as follows.

$$\text{PRO} = -4113524.79 + 4352.32 * \text{ICP} - 111608.67 * \text{WOS} + 144554.08 * \text{WOD} + 8544.74 * \text{DPP}$$

The coefficient of WOS is – 111608.67, which is negative. So, with the increase of WOS, the performance of PRO value is decreased and with the decrease of WOS, the performance of PRO value is increased. The t-statistic value of WOS is 296.26 (p 0.0021). So, the hypothesis H01 is rejected (since the p-value is less than 0.05) and it may be concluded that the Current International Supply of Crude Oil (WOS) has a significant effect on the organizational performance Proxied by Profitability (PRO) of the Nigerian National Petroleum Corporation in Nigeria.

The coefficient of WOD is 144554.08, which is positive. So, with the increase of WOD, the performance of PRO value is increased and with the decrease of WOD, the performance of PRO value is decreased. The t-statistic value of WOD is 569.82 (p 0.0011). So, the hypothesis H02 is rejected (since the p-value is less than 0.05) and it may be concluded that World Crude Oil Demand (WOS) has a significant effect on the organizational performance Proxied by Profitability (PRO) of the Nigerian National Petroleum Corporation in Nigeria.

The coefficient of DPP is 8544.74, which is positive. So, with the increase of DPP, the performance of PRO value is increased and with the decrease of DPP, the performance of PRO value is decreased. The t-statistic value of DPP is 804.02 (p 0.0008). So, the hypothesis H03 is rejected (since the p-value is less than 0.05) and it may be concluded that the Domestic PMS Price (DPP) has a significant effect on the organizational performance Proxied by Profitability (PRO) of the Nigerian National Petroleum Corporation in Nigeria.

The coefficient of ICP is 4352.32, which is positive. So, with the increase of ICP, the performance of PRO value is increased and with the decrease of ICP, the performance of PRO value is decreased. The t-statistic value of ICP is 99.95 (p 0.0064). So, the hypothesis H04 is rejected (since the p-value is less than 0.05) and it may be concluded that the International Crude oil Price (ICP) has a significant effect on the organizational performance Proxied by Profitability (PRO) of the Nigerian National Petroleum Corporation in Nigeria.

From the ANOVA table, the F value is 620593.3 at the significance level of 0.00095. So, the developed multiple regression model is significant at the significance level of 0.01.

From the Summary Output table, the R-Square value is 0.9999996. So, 99.99% of the organizational performance (dependent variable) Proxied by Profitability (PRO) is represented by the independent variables International Crude Oil Prices (ICP), World Crude Oil Supply (WOS), World Crude Oil Demand (WOD), and Domestic PMS Price (DPP).

T-TEST

A t-test is a statistical test that is used to compare the means of two groups. It is often used in hypothesis testing to determine whether a process or treatment influences the population of interest, or whether two groups are different from one another.

World Crude Oil Supply (WOS) vs World Crude Oil Demand (WOD)

To determine the significant difference between World Crude Oil Supply (WOS) and World Crude Oil Demand (WOD), paired sample t-Test was conducted, and the result is shown as follows:

t-Test: Paired Two Sample for Means		
	WOS	WOD
Mean	98.1667	97.5
Variance	6.9667	10.7
Observations	6	6
Pearson Correlation	0.9613	
Hypothesized Mean Difference	0	
Df	5	
t Stat	1.5811	
P(T<=t) one-tail	0.0873	
t Critical one-tail	2.0150	
P(T<=t) two-tail	0.1747	
t Critical two-tail	2.5706	

Table 4.7: T-Test

Source: Generated(2021)

From the above table, the calculated t-statistic value of World Crude Oil Supply (WOS) and World Crude Oil Demand (WOD) is 1.5811 (p 0.1747), which is less than the t-Critical two-tail value of 2.5706. So, it may be concluded that there is no significant variance between World Crude Oil Supply (WOS) and World Crude Oil Demand (WOD) for the period of the 5 years except for February 2016 and April 2020.

International Crude Oil Prices (ICP) and Domestic PMS Price (DPP)

To determine the significant difference between International Crude oil Prices (ICP) and Domestic PMS Price (DPP), paired sample t-Test was conducted, and the result is shown as follows.

t-Test: Paired Two Sample for Means		
	<i>ICP</i>	<i>DPP</i>
Mean	54.3333	130.5
Variance	128.2667	505.9
Observations	6	6
Pearson Correlation	0.3141	
Hypothesized Mean Difference	0	
Df	5	
t Stat	-8.5679	
P(T<=t) one-tail	0.0002	
t Critical one-tail	2.0150	

t-Test: Paired Two Sample for Mean		
	<i>ICP</i>	<i>DPP</i>
P(T<=t) two-tail	0.0004	
t Critical two-tail	2.5706	

Table 4.8: T-Test

Source: Generated (2021)

From the above table, the calculated t-statistic value of International Crude Oil Prices (ICP) and Domestic PMS Price (DPP) is 8.5679 (p 0.0002), which is greater than the t-Critical two-tail value of 2.5706. So, it may be concluded that there is a significant variance between International Crude oil Prices (ICP) and Domestic PMS Price (DPP) for the entire 5 year period. It was also found that an increase in ICP resulted in a significant increase in DPP.

DISCUSSION OF RESULTS

International Crude oil Prices (ICP) vs Domestic PMS Price (DPP)

From the results, it has been seen that International Crude Oil Prices (ICP), with the highest p-value of 0.06, has the least significance, while Domestic PMS Price (DPP) has the least p-value of 0.0011 which implies the coefficient with the highest significance. The higher the International Crude Oil Price, the higher the Domestic PMS Price and vice versa. With the low international price during the pandemic, the domestic price of PMS also crashed. Nigerian Government utilized that opportunity to deregulate the PMS market. Nigerians enjoyed cheap PMS but that was short-lived because as soon as the crude oil price started going up with the recovery from the COVID pandemic, the domestic PMS price also started going up and Nigerians reacted negatively to the implementation of the deregulation. The labour unions and the organized activists are still in discussion with the Government on the implementation of the deregulation policy. Within the period of increasing PMS prices, NNPC, in a bid to sustain the corporation and prevent the Nigerian economy from collapse:

- Introduced various non-fuel revenue sources in their Retail stations: This included Lube bays, Restaurants, supermarkets, tyre services, etc.
- Introduced various brands of NNPC lubricants to the Nigerian market
- Introduced various incentives to the station dealers
- Ensured that most of their mega fuel stations were opened 24 hours daily to provide services to motorists even during the movement-restricted era

All these helped to calm the nerves of Nigerians as the prices were going up.

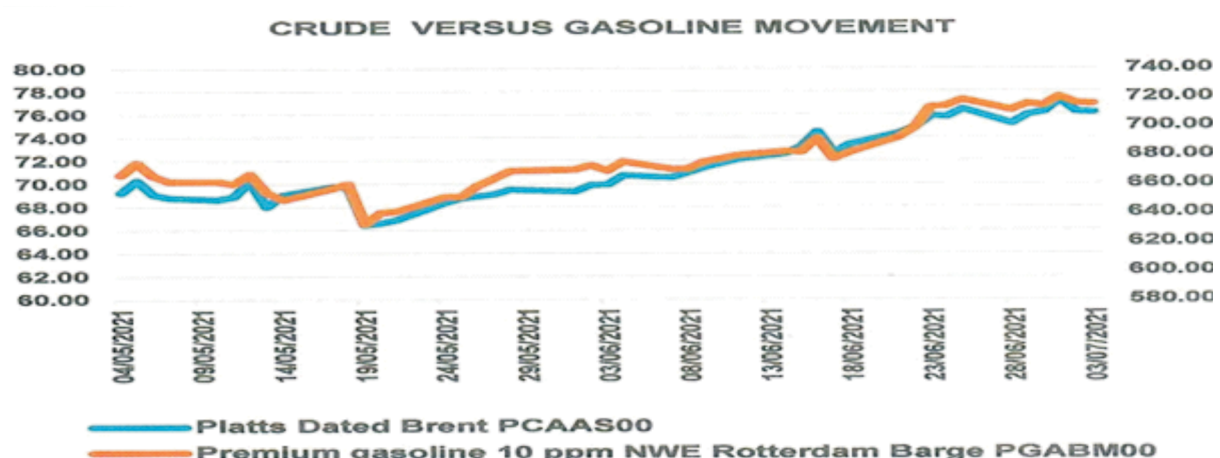


Figure 4.7: Crude Oil Vs Gasoline price movement

World Crude Oil Supply (WOS), World Crude Oil Demand (WOD)

From the results, it was seen that the p-values for World Crude Oil Supply (WOS), World Crude Oil Demand (WOD) were 0.0021 and 0.0011 which implied a very high significance on the profitability of an organization.

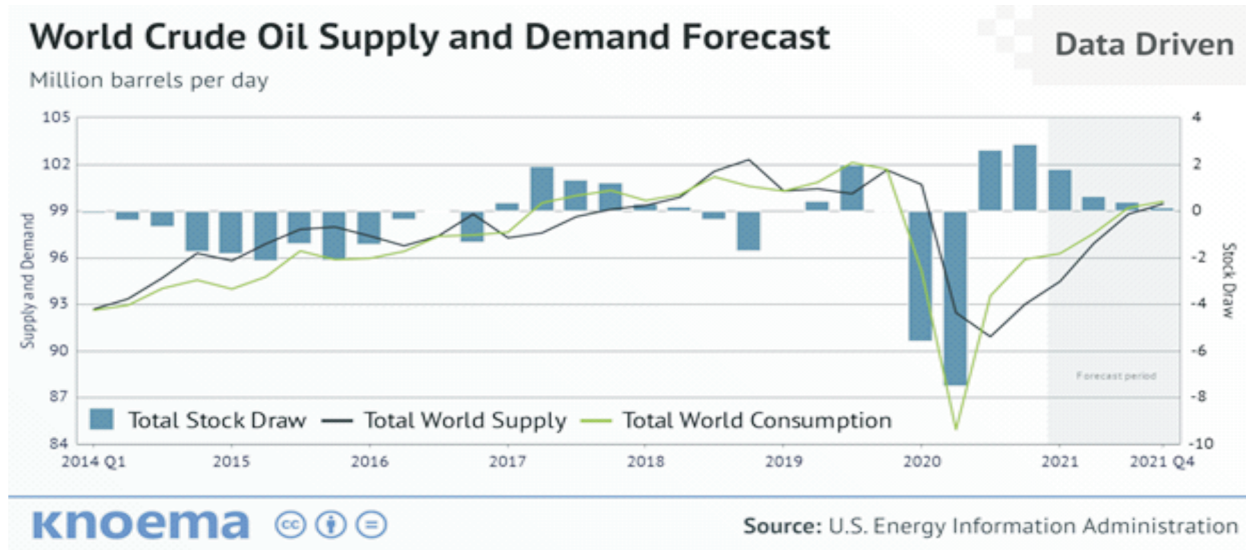


Figure 4.8: World Crude Oil Supply and Demand Forecast

Global demand for crude oil (including biofuels) in 2020 fell below 90 million barrels per day and gradually began to increase above 95 million barrels per day in 2021. The decrease in 2020 was due to the economic and mobility impacts of the coronavirus pandemic, including widespread shutdowns across the world. This is because Oil prices are mainly driven by the economics of demand and supply.

The decrease in demand led forced Oil futures markets to hit a historical anomaly in April 2020, when the May WTI Crude futures contract fell to negative \$37.00. This contributed negatively to NNPC's revenues.

Organizational Performance (Profitability) - PRO

The actual organizational performance for NNPC's Audited Financial Statements from 2015 to 2020 (2020 Financial Statement not fully concluded as at the time of this report) is shown below:

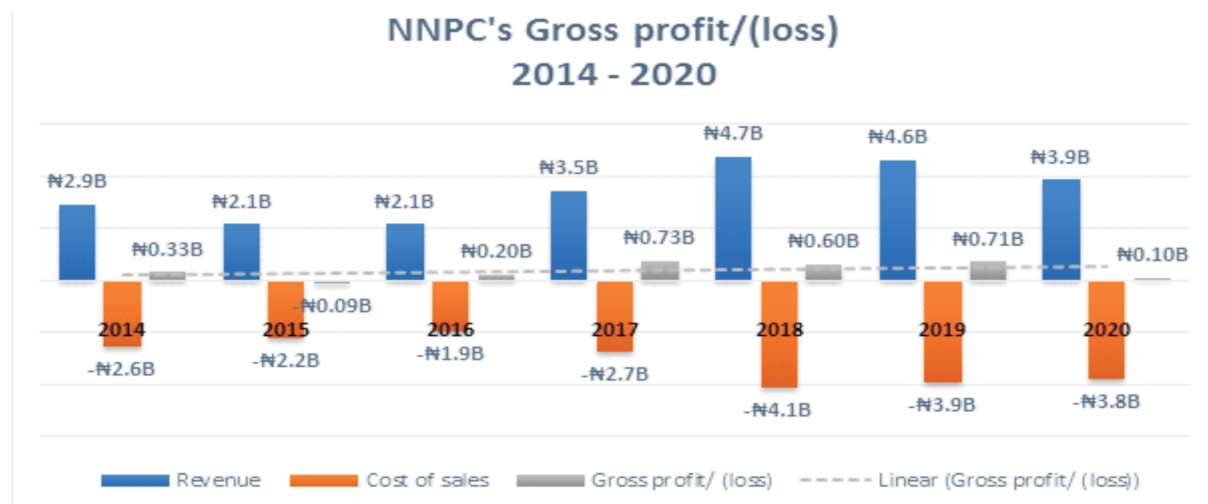


Figure 4.8: NNPC Profit/Loss on crude sales

Source: Generated

From the figure above, NNPC's performance on purely crude sales revenue and cost of sales was poor in 2016 and 2020 compared to other years. This is because 2016 and 2020 experienced the worst drop in International Crude Oil Prices (ICP). This shows that Oil Price Volatility has a significant impact on the performance of NNPC as shown above.

CONCLUSION AND RECOMMENDATIONS

This study on the effect of international crude oil price volatility and the performance of the Nigerian National Petroleum Corporation of Nigeria has established a new dimension of facts relating to the effects of International Crude Oil price volatility and oil company performance. It has clearly shown that all the proxies of the independent variable have significant effects on the performance of the Nigerian National Petroleum Corporation of Nigeria.

- 1. World Crude Oil Supply had a significant effect on the performance of the Nigerian National Petroleum Corporation of Nigeria.** The findings from the hypothesis indicated that the p-value for World Crude Oil Supply (WOS) was 0.0021 which implied a very high significance on the profitability of an organization
- 2. World Crude Oil Demand had a significant effect on the performance of the Nigerian National Petroleum Corporation of Nigeria.** The findings from the hypothesis indicated that the p-value for World Crude Oil Demand (WOD) was 0.0011 which implied a very high significance on the profitability of an organization.
- 3. The Domestic PMS Price had a significant effect on the performance of the Nigerian National Petroleum Corporation of Nigeria.** Domestic PMS Price (DPP) has the least p-value of 0.0011 which implies the coefficient with the highest significance on the profitability of NNPC.
- 4. The International Crude Oil Price had a significant effect on the performance of the Nigerian National Petroleum Corporation of Nigeria.** From the results, it was seen that International Crude Oil Prices (ICP), had the highest p-value of 0.06, and therefore had the least significance on the profitability of NNPC.

CONCLUSION

The importance of international crude oil price volatility and its effect on the performance of oil companies cannot be overemphasized. The new dimension of strong effect is more of the proactive posture of the major oil companies operating within the Nigerian economy. All the independent variables have a significant effect on the performance of the Nigerian National Petroleum Corporation proxied by profitability.

From the above result and discussion, it is observed that there is a strong positive correlation between

organizational performance proxied by Profitability (PRO) with International Crude Oil Prices (ICP), World Crude Oil Supply (WOS), World Crude Oil Demand (WOD) and Domestic PMS Price (DPP).

It may be concluded from the result that International Crude Oil Prices (ICP), World Crude Oil Supply (WOS), World Crude Oil Demand (WOD), and Domestic PMS Price (DPP) have significant effects on the organizational performance proxied by Profitability (PRO) of the Nigerian National Petroleum Corporation of Nigeria. The result also shows that there is a strong correlation between the World Crude Oil Supply (WOS) and World Crude Oil Demand (WOD), thus, they affect International Crude Oil Prices (ICP) which then impacts Profitability. Also, there is a significant correlation between the International Crude Oil Prices (ICP) and Domestic PMS Price (DPP) as the increase in ICP forces DPP to rise as well, this has a huge significance on organizational performance as shown in the analysis.

RECOMMENDATIONS

- i. Based on the findings that World Crude Oil Supply has a significant effect on the performance of the Nigerian National Petroleum Corporation of Nigeria, it is hereby recommended that NNPC should ensure that the production and supply of Nigeria's crude oil should at the minimum meet the OPEC quota for the country. As of September 2021, production was at 1.2mbd as against the OPEC quota of 1.6mbd that was more than 20% underperformance. The reasons being adduced included oil theft, pipeline vandalization, shutdown valves during the covid, and operational maintenance problems. Anything short of the quota is short-changing the country and will adversely affect the performance of the corporation and the economy of the nation.
- ii. Based on the findings that World Crude Oil Demand has a significant effect on the performance of the Nigerian National Petroleum Corporation of Nigeria, NNPC should ensure that the quality of Nigeria's crude oil is of premium quality and the official selling price should be market-reflective to attract enough demand. Both the quality and the price are great determinants for the demand for Nigeria's crude oil in the international market.
- iii. Based on the findings that the Domestic PMS Price has a significant effect on the performance of the Nigerian National Petroleum Corporation of Nigeria, it is hereby recommended that the deregulation of the PMS market already announced by the Government should be fully implemented. This will ensure that the market forces determine the accurate domestic price of PMS and eventually eliminate all the issues surrounding subsidies and under-recoveries.
- iv. Based on the findings that the International Crude Oil Price has a significant effect on the

performance of the Nigerian National Petroleum Corporation of Nigeria, it is hereby recommended that Nigeria should continue to support OPEC to control the supply of oil to the international market to control the price. Without this control, the price may crash to the level below the cost of production and that will be disastrous for the industry.

- v. Crises like the COVID 19 disrupt the international oil and gas market and invariably the world economy and therefore professional marketing is the solution to revive the world economy.

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BRIDGING THE GAP OF MALE LOW ENROLMENT TO BUSINESS EDUCATION PROGRAMME IN LAGOS STATE

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ABSTRACT

This study examines the strategies that could bridge the gap of male low enrolment into business education programme of Colleges of Education in Lagos State. The purpose of the study was to determine how effective enlightenments as well as incentives can bridge the gap of low enrolment of males in business education. In order to achieve these objectives, two (2) research questions and two (2) hypotheses were generated and formulated respectively. The study employed descriptive design of survey type and the population of the study consisted 654 Business Education students selected from Michael Otedola College of Primary Education in Epe Local Government Area of Lagos State, while simple random sampling technique was used to 185 respondents from the entire population. Instrument used to collect data was a self-structured questionnaire. Research questions were analyzed using mean and standard deviation and Pearson Product moment Correlation (PPMC) was used to test the null hypotheses at 0.05 level of significance. The findings of the study revealed that the gap in ratio between the male and female business education students in colleges of education is increasing over the years. Also, proper enlightenments and incentives are effective strategies that could be used to bridge the gap of male low enrolment into business education programme in colleges of education. Based on these findings, it was recommended among others that vocational counselors specializing in occupational guidance should be employed in secondary schools to educate students about the choice of career. In-school remedial courses should be offered or organized for intakes that fall short of the requirements for business education.

Keywords: Low enrolment, Business education programme, Colleges of education

INTRODUCTION

It is gain say that one of the aims of any form of education is to improve the standard of living and working conditions of the recipients, both economically and socially. Nigeria government agrees that education is an instrument that promotes rapid economic growth development, [National Policy on Education, 2014]. Only vocational; education (business education inclusive) can guarantee this, if it is well structured, that is well organized and hence functional (Igboko, and Chinedu, 2015).

Higher education is regarded as the cornerstone for national development in both the developed and less developed nation of the world. This is because it is seen to be key to the realization of individual and societal aspiration. It equips people with knowledge, skills, attitude, values and other competencies necessary for the performance of social and economic roles. Teachers' education is the professional training that teachers receive for them to be classified as professionals. Being the training aim of teaching profession, teacher education is charged with the task of developing knowledge and skills as basis for practice with preparing personnel entry into the teaching profession (pre-service) and contributing to the on-going development of practicing professionals (in-service).

Business education is concern with the training and preparation of students for gainful employment in labour market. At the secondary school level, business education takes the form of business studies; it is being taught as shorthand, typewriting, office practice, commerce, and economics, financial accounting commerce and office practice for senior secondary school. Colleges of education offer a 3-years course in business education, while universities and polytechnics in Nigeria offer a four years course in business education.

According to James & Robinson (2017) business education refers to a programme of instruction that offers various skills in accounting, marketing and Office Technology and Management (OTM). Major topics include: office practice, book keeping, business mathematics, business communication, secretarial duties, word processing, advertising (Ajisafe, Bolarinwa & Edeh 2015). Atakpa (2011) remarked that business education is an embodiment of vocational knowledge and skills needed for employment and advancement in a broad range of business careers. In other words, business education means education for business or training skills which is required in business offices, clerical occupation and business policy analysis. Similarly, Okoye (2013) extensively defined business education as an education program that orientate students in: art of business making (marketing), typing and shorthand skills (currently competing with computer appreciation and operation), service delivery, secretarial jobs, stenography, account clerking, office information system and management. Business education prepares students to be economically literate.

At this economic recession period of ours, Nigeria as a developing nation is in dire need of high calibre business education graduate teacher, to impart employability skills, knowledge and competencies that will enable the recipient gain employment on graduation or be able to establish

small scale enterprise (SSE) and hence check the menace of employment savaging the country. When you look at the enrolment in the Colleges of Education particularly at the department of Business Education, its worse, which may have implication on the future of business education graduate to teach the needed skills in higher institutions. Being a practical oriented discipline, business education can only be effectively taught if the adequate business teachers, educational infrastructure are provided as outlined by the National Universities Commission. Benchmark for minimum academic standard that will make the learning process interactive/interesting as well as help in sustaining learner's attention. The skill that teachers exhibit in teaching influences the student's enrolment in business education subject. Onwuka (2017) postulated that the method of teaching is very vital in any teaching and learning situation. The way the teacher presents the subject matter to the learner determines the student's likeness to such subject either to like or dislike a subject. There is need to bend the theoretical and practical work in teaching of subject as to stimulate students' interest more especially on business education subjects, which will enhance increase in the enrolment of student in the colleges of education particularly business education courses.

According to Awuku, Baiden, Brese and Ofosu (2001), the performance of the students in Business Education courses should match student's interest and practice of the subject. They further stated that lack of instructional materials, educational qualification of teachers, poor funding of practical, intellectual ability of the teachers, etc, are some of the factors that influence the outcome of the teaching-learning process. Coonery (1990) also opined that students do not understand business education courses when it is taught by an ineffective teacher. Izumi and Evess (2000) buttressed this by saying that teacher quality is the most important among other critical factors like quality curricula, funding, small class size and learning situation. George (2004) attributed poor achievement of students in business education courses to teacher qualification, inadequate instructional materials as well as administrative factors. Common problems of teaching business education courses and business education practical in developing country like Nigeria include: inadequate facilities, low professional and efficiency levels of teachers, poor attitudes of teachers, poor funding, school administrators and parents attitude towards business education, and political lapses (Amuah, 2009).

However, it is observed that the number of women enrolment into business education exceeds that of men over the years and there has been poor enrolment of male students into the department of business education in colleges of educations. Low enrolment and participation of male in business education is indicated in the table below.

Table 1: Enrolment of Students into Business Education Department:

Years	Male	Female	Total
2012/2013	19	33	52
2013/2014	21	53	74
2014/2015	33	50	83
2015/2016	25	57	82
2016/2017	28	44	72
2017/2018	34	63	99
2018/2019	25	68	93
2019/2020	25	74	99
Total	210	442	654

Source: Admission office MOCPED, EPE. 2020.

The table above shows that female enrolment into business education programme is more than twice of their male counterparts. The Nigerian philosophy of education (NPE, 2008) is the development of the individual into a sound and effective citizen and the provision of equal educational opportunities for all her citizens at all levels of education. Although, government insistence is on equal opportunity, the scenario is a gross imbalance in enrolment of males in business education. It is in this context, that the researcher's wishes to assess strategies that could bridge the gap of male low enrolment into business education programme in Lagos State.

Purpose of the Study

The purpose of the study is to bridge the gap of male low enrolment into business education in Michael Otedola College of Primary Education (MOCPED), towards effective implementation of the programme. Specifically, the study will:

- Evaluate why the increase in low male enrollment in business education programme;
- Examine how effective enlightenments can bridge the gap of low enrolment of males in business education.
- Determine what incentives could encourage male enrolments in business.

- iv. Find out possible solutions to the identified problems of the study

Research Question

Based on the above stated objectives, the following questions were raised for the purpose of the study:

- i. What are the effective enlightenment programmes that can bridge the gap of enrolment of male in business education?
- ii. What incentive could be introduced to encourage males enrolments in Business Education?

Research Hypotheses

The following hypotheses were formulated to guide the study:

- i. There is no significant relationship between effective enlightenments and bridging the gap of low enrolment of males in business education.
- ii. There is no significant relationship between incentives and encouragement of male to enroll in business education.

Methodology

The population for the study comprised 654 business education student in Michael Otedola College of primary Education (MOCPE) in Epe Local Government Area of Lagos State. Simple random sampling technique was used to select one hundred and eighty five (185) students from the department. The instrument that was used for the collection of data was structured questionnaire which was developed by the researcher and validated by experts in the field of measurement and evaluation. The data collected from the respondents were analyzed using mean and standard deviation to answer the research questions while Pearson Product Correlation Co-efficient was used to test the null hypotheses at 0.05 level of significant. Any calculated mean scores equal to, or greater than 2.50 was regarded as agreed, while any calculated mean scores less than 2.50 was regarded as disagreed. Furthermore, the table value (R-tab) was used in taking the decisions on the two hypotheses. If the table value is less than the calculated value, the null hypothesis is not retained, but if the R-value is greater than the calculated value, the null hypothesis is retained.

Result

Research Question 1: What are the effective enlightenment programmes that can bridge the gap of enrolment of male in business education?

S/N	ITEM	Mean	SD	Remark
1	Effective career talk can change my mind towards business education.	3.76	0.58	Agree
2	There is no adequate introduction of business education subjects' right from secondary schools.	3.65	0.47	Agree
3	If I understand the effectiveness of business education programme, I can study it after my secondary school.	3.59	0.44	Agree
4	Male students' interest will be aroused towards enrolling for business education through effective counseling from junior secondary school level.	3.82	0.61	Agree
5	Male students perceive business education as women' course right from secondary schools.	3.24	1.09	Strongly agree

Table 2 reveals that the mean ratings of the respondents showed that they scored up to 2.50 and above in all the listed items 1 to 5 showing that enlightenment could enhance the rate of males enrolment into business education programme.

Research Question 2: What incentive could be introduced to encourage male enrolments in business education?

Table 3 **Mean Ratings of the relationship between Incentive and Male Enrolments in Business Education**

S/N	ITEM	Mean	SD	Remark
6	Provision of scholarship for business education students would attract more male students into the programme.	3.68	1.09	Strongly agree
7	Provision of direct employment opportunity after graduation will attract more male students into business education programme.	3.51	0.32	Agree
8	Low admission requirements would enable equal enrolment of male and female students into business education programme.	3.56	0.34	Agree
9	Removing gender disparity in business education would increase more male enrolment into the programme	3.01	0.21	Disagree
10	Employing more male teachers to teach business subjects in secondary schools will increase the confidence of male students towards studying business education in tertiary institutions.	3.60	0.49	Agree

The table above reveals that the mean responses of the respondents reached the acceptable mean of 2.50 and above in all the items. This implies that all the above incentive could improve male enrolment into business education programme in tertiary institutions.

Hypothesis One (H₀₁)

There is no significant relationship between effective enlightenments and bridging the gap of low enrolment of males in business education.

Table 4 **Correlation Analyses of the Relationship between effective enlightenments and bridging the gap of low enrolment of males in business education**

Variable	Correlation Value	R – Value	Decision
Correlation analyses of the relationship between effective enlightenments and bridging the gap of low enrolment of males in business education	0.632	0.010	Significant

Table 4 above clearly shows that there is a positive significant relationship between effective enlightenments and bridging the gap of low enrolment of males in business education. Therefore, the null hypothesis is rejected.

Hypothesis Two (H₀₂)

There is no significant relationship between incentives and encouragement of male to enroll in business education.

Table 5 **Correlation Analyses of the Relationship between Incentives and Encouragement of Male to Enroll in Business Education**

Variable	Correlation Value	R – Value	Decision
Correlation analyses of the relationship between incentives and encouragement of male to enroll in business education	0.729	0.010	Significant

Table 3 above reveals that there is a positive and significant relationship between quality assurance and skills acquisition among business education students in colleges of education in Lagos State. Therefore, the null hypothesis is rejected.

Discussion of Findings

The finding of the study revealed that there is significant relationship between effective enlightenment and male enrolment into business education programme in colleges of education. This implies that effective enlightenment programmes can bridge the gap of male low enrolment in business education. This could be done through effective vocational guidance and counselling as well as career talk on business education. As recorded in prior submissions (Ramchander and Naude,

2018; Koch, Slyke, Watson, Well, and Wilson, 2010), the approach develops an affirmative cycle that turns successful business education graduates to fulfilled customers whose attestations and recommendations will endear more prospective students to the programme. This finding conforms to prior studies (Ramchander and Naude, 2018, Nnadozie, 2017, Joshi, 2018). which found that awareness through the social media, posters, conventional media outlets and organizing fairs are approaches for projecting a programme to prospective students and thus increasing student enrolment in that programme. Business education needs to embrace these strategies such as coordinated awareness campaigns, engage in early interventions in basic and secondary schools to get school leavers familiarized with business education programme and organize social events that will project business education programme.

This study also reveals that there is significant relationship between incentives and encouragement of male to enroll for business education programme. In line with this finding, Okojie (2013) on gender gap on access to education asserts that most male students going into higher level of education are been influenced by the monetary aspect of the career jobs for such course. Most of them prefer Accountancy and Business administration to Business Education.

Conclusion

The gap between the male - female ratio among business education students in colleges of education need to be addressed for effective implementation of the programme. Based on the findings of the study, effective enlightenments as well as incentives could be used to bridge the gap of low enrolment of male students into the business education programme in colleges of education.

Recommendation

Base on the finding of this study the following recommendations were made:

- i. Vocational Counselors specializing in occupational guidance should be employed in secondary schools to educate students about the prospects and image of business education.
- ii. Admission policy into business education programmes in colleges of education should have a percentage for males. In addition, in-school remedial courses should be offered or organized for intakes that fall short of the requirements for business education.
- iii. Monetary allowances should be made available to business education teachers and lecturers. This will serve as incentive to motivate the males who will like to be aroused with the incentives.
- iv. Incentives should be provided for candidates willing to study business education in the form of sponsorship, scholarship and grants.

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INVESTIGATING TOTAL QUALITY MANAGEMENT PRACTICES AND PERFORMANCE OF INSURANCE COMPANIES IN ABUJA, NIGERIA.

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ABSTRACT

The goal of the study was to look into and critically evaluate the influence of total quality management on the performance of insurance companies in Nigeria. The research used a descriptive research survey to examine TQM tactics and emergent challenges that hampered their implementation in the Nigerian insurance sector. The study's population consists of all 58 insurance firms listed in the National Insurance Commission's (NAICOM) registration as of December 2020. The study designed two forms of 5-points likert-scale questionnaires for the managers and customers. Only 47 forms were completed and returned in the end. The research model was estimated using regression analysis. Total quality management does not appear to have a major impact on the premium performance of insurance companies, according to the findings of the study. In today's fast-paced competitive world, businesses must become more nimble and adaptable. Firms are frequently able to achieve a particular level of performance based on existing technologies, but they are equally as often caught off guard by emerging, unique technologies. We came to the conclusion that total quality management should be implemented in all aspects of insurance companies, from top to bottom, with a focus on quality, which is the hallmark of long-term market competitive advantages.

Keywords: Total quality management, Insurance, Performance, management, Assurance.

INTRODUCTION

The insurance industry is a major component of the economy by virtue of the amount of premiums it collects, the scale of its investment and, more fundamentally, the essential social and economic role it plays by covering personal and business risks. The total global premium volume continues to grow over the years from roughly USD 3.44 trillion in 2005 to about USD 4.77 trillion in 2014 (see Table 1). North America has the highest premium volume with USD 1.19 trillion and USD 1.41 trillion registered in 2005 and 2014 respectively. Europe is ranked second with a premium volume of USD1.33 trillion and USD 1.70 trillion in 2005 and 2014 respectively. Further, Asia comes third,

followed by Latin America and the Caribbean and then the Oceania. Africa has consistently contributed the least to the global total premium volume. Notwithstanding, this figure has increased marginally over the years from a paltry USD 43 billion in 2005 to a highest of roughly \$72 billion in 2012. In percentage terms this translates to 1.44% in 2005 to a highest of 1.55% in 2012. Expectedly, there is a kink in premium volume during the period corresponding to the global financial crises of 2007 to 2009 whereby, the total premium volume of the African countries recede to 1.30% of total global premium volume in 2007 and a lowest of 1.21% of total global premium volume in 2009.

Table:1 Global Trend in Total Premium Volume for the Period 2005 to 2014 (in millions USD)

Continent	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Africa	42353	49816	53810	52625	49502	63494	69274	71350	69938	68974
North America	1187853	1253925	1330674	1344105	1249254	1275854	1342502	1398468	1391105	1406816
Latin America & Caribbean	58662	71542	89860	106804	109827	128183	154559	169666	178022	188225
Europe	1332319	1509995	1764047	1701480	1617597	1607270	1647384	1541124	1619997	1697529
Asia	765238	789250	844929	935428	1008132	1173432	1284361	1337612	1252376	1317566
Oceania	55865	58249	68889	78536	67346	82099	97627	86875	89731	100140
World	3442290	4E+06	4152210	4218979	4101658	4330332	4595704	4605095	4601169	4778248
World mktshare	1.23	1.33	1.3	1.25	1.21	1.47	1.51	1.55	1.52	1.44

Source: Sibindi (2015)

To put things in perspective, the overall African insurance market accounted for only 1.52 percent of worldwide premiums in 2017, totaling \$69.938 billion, compared to \$4.6 trillion in global premiums. The statistics shows a low degree of development of African insurance market, low penetration level, low implementation of compulsory insurance and a lack of professionals that are adequately skilled in this space, but also the enormous potential for growth as Africa's prosperity and financial awareness rise. With \$51.6 billion in premiums, South Africa is the continent's largest insurance market and ranks 17th in the globe. Nigeria, on the other hand, is rated 62nd in the world, with \$1.64 billion in premium volumes. Insurance premium penetration rates of 0.7 percent of GDP, ranking 87th globally, and an average premium per capita of \$9.4 reflect an underdeveloped market. The application of technologies in the form of early warning sensors, catastrophe modeling or underwriting, pricing and risk transfer mechanisms are still at the nascent stage. Currently, the industry consists of approximately 58 companies compared to 140 registered insurers in 1994. A primary factor behind this decision was NAICOM's revised capital requirements, which were originally implemented in 2005. Despite their efforts, insurance companies only contribute 0.7 percent of the GDP (GDP). This is extremely low when compared to other markets, like as South

Africa, which has a penetration rate of roughly 12%. Adeosun (2016) stated that insurance firms contribute lower than 1.1% to GDP annually of what it should and by implication 70,000 employment opportunity is being loss annually and the sector is due for another round of recapitalization due to inherent institutional weaknesses.

Furthermore, literature suggests that most of the earlier research carried out on predictors of financial performance of quoted insurance companies in Nigeria like Akindele (2012), Olusanmi, Uwuigbe and Uwuigbe (2015) concentrated more attention on the institutional context while neglecting the strategic significance of the pivotal role of Total Quality Management (TQM). The only few studies discovered are foreign based surveys such as; Patrick (2015) and Suheyli (2015). These created a gap for the current study in Nigeria by including TQM as a proxy insurance specific feature that inspire overall performance of insurance industry.

2 Literature Review

TQM

TQM is a continuous system for detecting, decreasing, or eliminating production errors, optimizing supply chain management, increasing customer experience, and ensuring that personnel are trained properly (Fali et al., 2020). TQM is used by businesses to gain a competitive advantage, boost profitability, and become more innovative. The advantages of applying TQM in terms of improving and boosting business performance are numerous (Lasisi & Nuhu, 2015). Kaya (2015) conducted a literature review to determine the factors that influence TQM implementation. The most important aspects that influence the implementation of TQM results, according to the author, are top management commitment, human resource involvement in business processes, and top management knowledge of TQM. Mistre (2015) looked at TQM elements for ISO 9001:2000, focusing on eight quality principles that were deemed important for TQM implementation results. They identified 12 aspects as the most crucial for TQM adoption results based on a thorough review of data obtained from eight nations.

Those elements involved; “quality data and reporting, customer satisfaction, human resource utilization, management of process control, training and education, management commitment, continuous improvement, leadership, strategic quality planning, performance measurement, customer focus, and contact with suppliers and professional associates” (Lewis, et al., 2006). Abdullah (2010) proposed a list of critical factors that have an impact on the results of the TQM system implementation based on the most well-known four excellent models of TQM awards and certifications criteria (Deming Award; Malcolm Baldrige National Quality Award, MBNQA; ISO

certification series; and European Foundation for Quality Management, EFQM). Leadership, teamwork, training, organizational learning, communication, and process management are all on Abdullahi's list.

TQM Practices

The extant authorities of quality management such as Deming (1993) and Juran (1988) made a significant contribution to the streamlining the practices of TQM. The key analyses of TQM practices in the literature are based on their essential frameworks. The framework also had an impact on the business excellence awards and certificates (MBNQA & EFQM).

Compelled by the quality and scholarly framework, the very first attempt to establish a measurement TQM practice through evidence based study was conducted by Saraph et al., (1989). As shown in table 2, they established eight TQM techniques based on an analysis of data acquired from a comprehensive literature research and participation of twenty organizations. The research concentrates on involvement of managers and made a significant contribution to the other related studies. Saraph et al. (1989) looked at the connections between different techniques as well as the linkages between different management domains. Many Another significant study on TQM practices were conducted by Flynn et al., (1995). They develop eight measurable TQM strategies for manufacturing plant level. In some ways, their TQM practices are similar to those of Saraph et al (1989). Saraph, et al. and Flynn, et al., previous 's frameworks have had a considerable impact in academics. Particularly when it comes to creating a comprehensive model or set of TQM practices, as well as studying the links between different QM techniques. However, there are several differences between the two studies. To begin with, the approaches advocated by Flynn and colleagues focused more on the perspectives and awareness of manufacturing plant employees. Second, Saraph and colleagues' research was primarily based on literature, whereas Flynn and colleagues focused on real data from the manufacturing business. The Malcolm Baldrige National Quality Award (MBNQA) standards, which were designed in 1987 by Malcolm Baldrige, have recently become the most popular and frequently used TQM techniques (Fali et al., 2020). The criteria for the award were primarily created to assess the degree to which quality management is applied in both manufacturing and service enterprises. The MBNQA criteria used seven components that may be used by any company to evaluate their quality application and implementation (see Table 2).

Table 2. Some sources of Influential TQM Practices

Saraph et al (1989)	Flynn et al. (1995)	MBNQA (2007)
Management leadership	Top management support	Leadership
Supplier's quality management	Customer relationship	Customer & market focus
Employee relations	Supplier relationship	
Training	Workforce management	Workforce focus
Role of the quality Department	Work Attitudes	Strategic Planning
Process management	Process flow management	Process management
Quality data and reporting	Statistical and reporting control & feedback	Information& analysis
Design and Measurement control	Product design control process	Business performance

Source: Bjorn, (1999)

TQM Practices in Insurance (Service) Organization

Earlier versions of TQM were more concerned with manufacturing and production than with service sectors. However, the high intensity of competition and the hike in service industry share boosted the necessity for TQM in services organizations (Daare, 2016). (Daare, 2016). According to Bjorn (1999), the debate over the concept of service quality is drowned out by the major arguments about TQM definition. The fundamental distinction is that insurance services are intangible and rely heavily on client judgment. The intangibility of service poses a measuring difficulty, whereas reliance on client evaluation leads to customer-led insurance firms (Mistre, 2015). According to Fali *et al.*, (2020) TQM practices in services firms are different from manufacturing firms, (see table 3).

Table 3. TQM Practices in Service & Manufacturing Organizations

TQM Practices in service organization	TQM practices in Manufacturing organization
Human focus	Product/Technology focus
Focus on top management commitment and visionary leadership	Focus on top management commitment and visionary leadership
Continuous improvement	Continuous improvement
Emphasis is on interpersonal relationship and communication skills	In recruitment and selection, emphasis is on technical skills
Statistical process control is inappropriate in professional services	Statistical process control is prescribed universally
Checks customer defections	Elimination of product defects
Quality measurement through customer satisfaction	Quality measurement by statistical techniques
Physical evidence has an impact on service quality	Physical evidence is not applicable

Source: Adapted Bjorn, (1999).

According to Jacobsen (2008), top management commitment and leadership, benchmarking, customer focus and satisfaction, service marketing, social responsibility, human resource management employee satisfaction, service culture, continuous improvement, and information analysis are recent dimensions of TQM practices in insurance organizations. TQM systems in services firms, according to Saravanan and Rao, may differ slightly from TQM systems in manufacturing organizations.

Phases of TQM in an organization

Procedures for ensuring the quality of goods and services have evolved over time. In keeping with the socio-cultural and technological shifts that have characterized society's rapid evolution. Since the 1980s, businesses have incorporated and implemented quality assurance concepts based on

Feigenbaum's "new philosophy," such as Quality Control, Quality Assurance, and, more recently, Total Quality Management (TQM), which is used in conjunction with Total Quality (TQ) (Olaru, 1999). Five levels of quality in organizations have been proposed in this regard:

- a. The first phase is called "sleepy phase": The "sleepy period," in which corporations do not feel threatened in the market, competition is minimal or non-existent, and the company has made a profit that is acceptable. The corporation is not paying attention to quality in this situation.
- b. During the second phase, referred to as "wake-up stage", company situation completely changes to the previous phase. Starts to lose market position, which decreases profit. At this stage the company is aware that it is in the midst of a crisis.
- c. "Phase hesitation", the company realizes that something must change. It's a phase of testing, probing tools of quality management in the idea of changing something.
- d. "Action phase" in which the company can be seen that the instruments used results, or try to make significant changes. Is the phase where there is a change in the organizational culture and improving products / services.
- e. "Maturity phase" where total customer satisfaction is achieved through the perfection of each level of the organization. Quality does not only apply to products / services, but all activities of the organization. Applied total quality approach, the company naturally the quality.

Key aspects of TQM implementation

TQM aims to improve customer satisfaction and organizational performance by providing high quality products and services through participation and collaboration of all stakeholders, teamwork, a customer orientation, continuous improvement, and process performance by applying quality management techniques and tools, according to Patrick, (2015). In conformity with the literature, TQM deployment is a complex, demanding, and time-consuming process that necessitates significant organizational effort. While TQM has been proposed in theory to improve performance, the practical application faces a number of challenges. The same author (Mosadeghrad, 2014) states that several studies have reported an improvement in productivity of only 20-30% due to the implementation of TQM programs (Eskildson, 1994). To achieve TQM implementation preference, it is essential to be conscious the following points (Ilies, 2011):

- a. Involvement of management in the improvement process of continuous quality basic strategic objective.
- b. Changes in organizational culture: implementing a philosophy that confirms this focus, encourages the involvement of all staff, as well as internal customers, continuous improvement.
- c. Introducing the change through instruction, communication recognition performance;

managers' behavior; teamwork; program to meet customer expectations.

- d. Attitude of the managers who have to use quality tools and encourage communication and feedback to ensure an enabling environment for improved quality.
- e. Developing quality strategy by defining the mission and quality policy formulation to achieve the strategic objectives of quality.
- f. Stimulation, education and development of staff.
- g. Determining quality costs as a measure of poor quality that means not to meet the needs and desires of customers.

Stages of TQM implementation

In the specialty literature there are several steps necessary for implementation of quality management system. We present four implementation stage of TQM as follows:

- a. Inspection - in this phase, the organization is concerned with activities such as examination, measurement, test and evaluation and ensure that the product or service conforms to specified requirements.
- b. Quality Control (QC) - methods and systems are used as part of the selfinspection.
- c. Quality Assurance (QA) - focus on continuous improvement through a systematic planning and preventing errors occurring from the source case.
- d. TQM - involves the application of quality management principles to all aspects of the organization, including customers and suppliers, and their integration with key business processes.

Total Quality Management Practices and Management Performance

This paper evaluates whether working with TQM in general can affects the performance of insurance companies. Hence, earlier published results describing the connection between TQM and performance are of great importance to this study. The General Accounting Office study (GAO, 1991) which was one of the first studies to establish a link between TQM practices and the performance of related companies. The main conclusion from the GAO study was that companies investigated improved their operating results. Moreover, better employee relations were achieved, improved operating procedures were attained, greater customer satisfaction was accomplished, and an increased market share and profitability were gained. Many other articles also discuss the results from the GAO study. Further, the findings of Ilieş and Crişan, (2011) indicate that quality award recipients and applicants are unequivocal in their comments about the benefits of TQM and self-assessment for business results, including profitability, an increased market share and more satisfied customers. Quality award recipients like Texas Instruments Defense Group also claim that quality work can yield tremendous rewards (Suheyli, 2015). The work of Jacobsen (2008)

revealed that the relationship between TQM practice and organizational performance is significant in a cross-sectional sense, in that TQM practice intensity explains a significant proportion of variance in performance. They also show further that the categories of leadership, management of people and customer focus are the strongest significant predictors of operational performance. Moreover, the major findings of Mosadeghrad, (2014) show that higher levels of company performance are significantly correlated with greater use of TQM practices. The quality of a product or service is dependent on the customer expectation in contrast with other suppliers, so when judging product quality it depends who is the customer.

Ho₁- TQM practices have no significant impact on performance of insurance companies.

Ho₂- Constraints of TQM have no significant impact on performance of insurance companies.

Theoretical Framework

TQM is an integral part of the extensive management practice. The contemporary quality management philosophy has been strongly influenced by the thoughts of Deming (1983). The word “quality” itself can be defined in different perspectives and dimensions as it is a relative concept by different people. Deming emphasized that quality is all about people and not products. The satisfaction of the customers defines quality, and since the insured customers' needs and expectations are always changing, the organization has to adapt and respond to those changes. Deming's theory of **Total Quality Management** rests upon fourteen points of management he identified, the system of profound knowledge, and the Shewart Cycle (Plan-Do-Check-Act). He is known for his ratio - quality is equal to the result of work efforts over the total costs. If a company is to focus on costs, the problem is that costs rise while quality deteriorates. The framework of Deming Management Method expresses effectiveness of the model through concerted leadership efforts toward establishment of cooperative and learning organization systems that facilitates achievement of efficient quality services. The realization of overall quality practices enables organizations to achieve insured customers' satisfaction through continuous improvement and significant business performance.

Research methods

In achieving the purpose of this study, a descriptive survey research design was adopted. The choice of this survey technique was due to the fact that it has potentials to predict behaviour and assist in collecting information, thus establishes causal relationship between variables employed in the study (Lasisi & Nuhu, (2015). Data collection was conducted via email through the use of web-based app “Q-survey” complemented by physical distribution of questionnaires among the 58 insurance companies in the register of National Insurance Commission (NAICOM). A customer-tailored 5

points likert scale questionnaire was also designed and sent to the insurance companies customers obtained from “National Association of Insurance Consumers in Nigeria” but only two responses were taking for each of the insurance firms customers. In the end, only 47 companies who responded to the survey consisted of 38 general insurance companies and 9 life insurance companies, accounting for 81% of the industry capacity was used for analyses. The empirical research ground for the sample population was drawn from FCT Abuja. The choice of Abuja was because it play host to the headquarters of most of the insurance companies in Nigeria. A total of 141 responses were successfully harvested for analyses. In order to ascertain the appropriateness of responses, frequent telephone calls, electronic mailing, and short visits were used to ensure proper questionnaires' filling and returning. The research instrument was tested valid and reliable for the study with a cronbach value of 0.780. Regression analysis was used to analyse the data collected and decision made at $p < 0.05$ statistically significant.

Results and Discussion of findings

Table 4: Regression analysis Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	.364 ^a	.132	.060	20.693	1.832	.159 ^a

a. Predictors: (Constant), tqm practices, tqm implementation.

Table 4 shows regression analysis between firm performance and TQM variables. This shows that in the whole model, there is no significant relationship between TQM and insurance firm performance. This implied that the insurance companies can function irrespective of their TQM practice or implementation process. The whole model shows that the variables are related at 36.4% but not significant at $P < 0.05$. Thus, this indicates that TQM contribute 13.2% of the variations in performance of insurance companies while other variables not included in this model accounts for the remaining percentage. That is, 86.8% of performance was contributed by other variables that are outside the scope of this model.

Table 5: Regression Analysis Result

Variables	Firm Performance
TQM practices	.197 (1.228)
TQM Constraints	.345 (2.049)**
R	.364 ^a
R Square	.132
Adjusted R Square	.060
F-value	1.832

**p<0.01, *p<0.05, t-value in parenthesis

Source: Author, (2021).

The regression coefficient of 0.197 is not statistically significant at $p<0.05$. This shows that there is no significant relationship between TQM practices and performance of insurance companies. Therefore, the null hypothesis that “TQM practices have no significant impact on performance of insurance companies” is upheld while the alternative hypothesis is rejected.

Furthermore, Regression coefficient of 0.345 is statistically significant at $p<0.05$. This shows that there is a positive relationship between TQM implementation and performance of insurance companies. Based on this empirical evidence, the null hypothesis is rejected while the alternative hypothesis that states “Constraints of TQM implementation have a significant impact on performance of insurance companies” is accepted.

Discussion of Results

The regression analysis results shows that in the whole model, there is no significant relationship between firm performances and TQM ($r = 0.364$, $r^2 = 0.132$, F value of 1.832). This result shows that TQM variables considered for this study has not really contributed to the performance of insurance companies. This finding is in accordance with Akindele (2012), who argued that insurance firms are

experiencing difficulties in adopting TQM practices. Therefore it is not necessary for insurance service firms to adopt TQM practices in order to perform optimally.

TQM practices have no significant impact on performance of insurance companies.

However, the result from regression coefficient and hypothesis testing present no significant relationship between TQM practices and performance of the insurance firms with 0.197 value at $p < 0.05$. The findings from this study reveals that practices obtained from TQM has no relationship with the performance of insurance companies, this could be as a result of different internal and external factors. TQM practices in this study were measured in terms of management commitment, continuous improvement, and customer satisfaction; they are some of the TQM practices available to insurance firms. This result is in accordance with the findings of Daare (2016), who found there are eleven total quality management practices: management commitment, role of the quality department, training and education, employee involvement, continuous improvement, supplier partnership, product/service design, quality policies, quality data and reporting, communication to improve quality and customer satisfaction orientation.

Additionally, the result of the hypothesis testing present a positive relationship between constraints of TQM implementation and performance of insurance companies with regression coefficient 0.345 at $p < 0.05$. This variable was measured in terms of total quality criteria, plan for resources and details of process. The findings from this study revealed that when there are constraints of TQM implementation in an organization, it affects its performance. It means that constraints of TQM implementation have contributed to the performance of insurance companies because it involves the whole management from top to bottom. This results is similar to the findings of Brah et al.(2000) who in their study on TQM and business performance in Singapore service sector came up with eleven constructs of TQM implementation process, which are the top management support, customer focus, employee involvement, employee training, employee empowerment, supplier quality management, process improvement, service design, quality improvement rewards, benchmarking, cleanliness and organization, and any constraints to any of the implementation process have an impact on the organization.

Conclusions and Recommendations

The purpose of this research work has been to investigate and critically analyze the impact total quality management on insurance company's performance in FCT. The capacity of an insurance industry to make worthwhile positive contribution to growth of an economy depends on the prevailing culture of the industry and the enabling factors that contribute to the development of robust insurance markets. The research carried out has confirmed that insurance companies in Nigeria recognize the moral dilemma in claims management; they understand that if they mismanage

insured's claims in an unethical manner it will result in bad consequence which will fall back on the insured or the beneficiary, the personnel involved in processing the claim and also the company as a whole either directly or indirectly. Therefore they discharge this responsibility in a professional way making sure that all genuine claims are settled and only fraudulent and ingenuine claims are repudiated. However, the result of the study does not show that TQM has any effect on insurance companies' performance. From this study it is clear that the insurance business sector in Nigeria still has much room for improvement and development. The study therefore recommend that the management of the insurance companies in Nigeria should increase their education and training of critical stakeholders for easy implementation of TQM in all sectors of the business. The management should invest more in mechanism that will easy a firm-wide easy implementation of TQM.

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EXPORT BARRIERS AND EXPORT PERFORMANCE OF LEATHER PRODUCTS SMES' IN ABA, ABIA STATE, NIGERIA

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ABSTRACT

This study examined the effect of export barriers on export performance of leather products' Small and medium-scale enterprises (SMEs) in Aba, Abia State of Nigeria. The study was carried out in Aba, the commercial hub of Abia State and a major host of export-oriented SMEs in Nigeria. The population of this study comprised of 8,620 operators of leather products SMEs in Aba, Abia State, Nigeria. A sample size of 382 respondents was obtained using Taro Yamane' formula. The questionnaire was the main data collection instrument used in the study. Before the questionnaire was used for actual study, it was validated and its reliability was also established. Simple regression model was used to test the stated hypotheses. It was revealed in the study that lack of export experience was a negative and significant factor affecting export intensity and export sales growth of leather products SMEs in Aba, Abia State, Nigeria. Similarly, it was revealed that lack of access to international markets was a negative and significant factor affecting export sales growth and export intensity of leather products SMEs in Aba, Abia State, Nigeria. We concluded that export barriers affect the export performance of leather products SMEs' in Aba, Abia State, Nigeria. We therefore recommended that the presence of Aba Chamber of Commerce, Industry, Mines and Agriculture (ACCIMA) and Nigerian Export Promotion Council (NEPC) in the city of Aba and other places should help bridge the export knowledge gap that is needed by these leather products' manufacturing SMEs.

Keywords: Export barriers, export experience, export performance, foreign market access, SMEs

INTRODUCTION

Every nation depends on the success of its export trade for strong economic development. The benefits of export to a firm and a nation in general cannot be overemphasized. Advances in technology and communications globally have also contributed to the growth of export in developing countries like Nigeria. The benefits that accrue from such technological advances have led to the involvement of small and medium scale enterprises (SMEs) in export marketing even among developing countries (Mehmet & Onur, 2015). Today, SMEs in Nigeria are contributing to the growth and development of the country through their involvement in export marketing, but their export performance is however, dependent on whether they operate in an export environment that has little or no barriers to their export operations.

Abia State of Nigeria has one of the largest concentrations of SMEs in the country (Ahaiwe & Okereafor, 2018) and a bulk of this number are engaged in leather works which could be attributed to the popularity of the State in Nigeria. The State has key SMEs in finished leather production in Aba its commercial hub. The Aba shoe and leather products SMEs are believed to have products that their quality is comparable to those of Italy (Nwaoguji, 2014). SMEs in Aba, Abia State according to statistics export over one million pairs of shoes and all kinds of leather products to other parts of Africa on weekly basis, although unofficially through indirect exports (Offurum, 2017). However, despite leading the African leather products market, these export-minded SMEs are yet to have a presence outside the African continent, blaming it to many limiting export barriers.

Export performance has begun to garner considerable interest in many studies as a result of the key role exporting plays in the economies of countries. Most research have focused on understanding the factors that affect exporting activities (Mehmet & Onur, 2015; Thangavelu, 2010) with some others as it concerns SMES (Abdolvand et al, 2016; Tran et al, 2015). However, most of these studies were done outside Nigeria. Only a few of such studies on the factors that affect exporting activities of SMEs have been done in Nigeria (Abubakar, 2012; Ibe, 2004; 2003).

In a bid to become a major force in the international market, the Nigerian government in the past has tried to encourage SMEs export participation through the provision of various export stimulation schemes. The Bank of Industry (BOI) and the NEXIM Bank have at one point or the other provided Export Stimulation Facility (ESF) and Export Development Funds and encouraged export-oriented SMES within the Country particularly those from the South-East and Delta States to access the funds to boost their export businesses (Kolawole, 2018). Other forms of incentives have also been provided by the government in the past to boost SMEs export performance. However, there are still some internal and external barriers to their active participation and performance on the international scene. It is the foregoing that motivated this study which looked at the effect of export barriers on export performance of leather products SMEs in Aba, Abia State of Nigeria.

1.3 Objective of the study

The main aim of this study was to examine the effect of export barriers on export performance of leather products SMEs' in Aba, Abia State, Nigeria. The specific objectives were to;

- i. ascertain the effect of lack of export experience on export intensity of leather products SMEs in Aba, Abia State, Nigeria;
- ii. determine the effect of lack of access to international markets on export sales growth of leather products SMEs in Aba, Abia State, Nigeria;
- iii. examine the effect of lack of export experience on export sales growth of leather products SMEs in Aba, Abia State, Nigeria;
- iv. ascertain the effect of lack of access to international markets on export intensity of leather products SMEs in Aba, Abia State, Nigeria.

1.5 Statement of hypotheses

The following hypotheses were formulated and tested in the study.

HO₁: Lack of export experience does not have any significant effect on export intensity of leather products SMEs in Aba, Abia State, Nigeria State, Nigeria

HO₂: Lack of access to international markets does not have any significant effect on export sales growth of leather products SMEs in Aba, Abia State, Nigeria.

HO₃: Lack of export experience does not have any significant effect on export sales growth of leather products SMEs in Aba, Abia State, Nigeria

HO₄: Lack of access to international markets does not have any significant effect on export intensity of leather products SMEs in Aba, Abia State, Nigeria.

2.0. Review of related Literature

2.1 Conceptual framework

2.1.1 Concept of SMEs

Small and medium scale enterprises (SMEs) are often privately owned businesses that produce goods or services for a profit (Oladimeji & Muhammed, 2017). The definitions of SMEs according to Etuk et al. (2014) are that they are normally derived in each country based on the role they play in the country, policies and programs designed by certain organizations or institutions tasked with helping them grow. Thus, SMEs turnover, number of employees, profit, capital utilized, available finance, market share, and relative scale within the industry are all factors that go into determining an SMEs' worth (Etuk et al. 2014).

In 1990, the federal government of Nigeria defined SMEs as those with a capital investment of less than N2 million (excluding land costs) or a minimum of N5 million for the purpose of obtaining a

commercial loan (Aremu & Adeyemi, 2011). SMEs are defined as enterprises with a total capital employed not less than N1.5 million but more than N200 million, including working capital but excluding cost of land and/or with a staff strength of not less than 10 but more than 300 according to the SMIEIS (2006). SMEs have ten to forty-nine employees and an annual turnover of N49m according to SMEDAN (2005), while medium-scale enterprises have fifty to one hundred and ninety-nine employees and an annual turnover of N50m to N499m.

In Nigeria, SMEs span a wide range of economic activities. It is obvious from the definitions that SMEs are not defined by a single idea. The definitions differ depending on the industry and location. SMEs are a diverse group. Some are active, growth-oriented, and innovative, while others are not; they would rather stay little and do things the same way they always have. SMEs' owners and workers in several countries are (or are considered to be) dominated by member of specific ethnic groups.

2.1.2 Barriers to SMEs' export performance

Two key issues that SMEs in developing nations like Nigeria confront are that of limited export experience and of access to international markets. They are discussed below;

2.1.2.1 Lack of access to international markets

Finding out about international business prospects, as well as selecting them, is a common stumbling block for SMEs (OECD, 2009). According to OECD (2006), this can be due to time constraints, a lack of managerial expertise, or a lack of financial resources. Other scholars agree, arguing that a lack of critical resources and competencies, which is especially prevalent among SMEs make it difficult for businesses to find overseas business opportunities (Fletcher, 2001; Ruzzier & Konenik, 2006).

This export hurdle was previously observed by Leonidou (2000), who attributed it to a lack of information to discover and analyze overseas markets.

Lack of foreign market expertise was identified as a major obstacle to rapid internationalization of enterprises in a model established by Johnson and Vahlne (1977). The majority of SMEs face this problem as a result of information access issues. Customers, contacts, business partners, and joint ventures are frequently the source of foreign market prospects. However, in this case a lack of trust and collaboration inside the firm's network can be a problem.

2.1.2.2 Lack of export experience

In several researches, the difficulty in collecting adequate information that minimizes the level of uncertainty in foreign markets as a result of inexperience has also surfaced as a significant challenge for SMEs (EFIC, 2008; OECD, 2008). Lack of export experience also makes it difficult to know what information sources are available or required in the internationalization process, as well as making it difficult to contact new customers overseas due to geographical distance and time zones, poor customer research by the firm, and limited exposure to sources listing potential customers such

as databases (OECD, 2008).

Firms lack the experience needed to enter new markets, identify potential clients, and successfully engage them (OECD, 2006). This obstacle is largely corroborated by Yener et al. (2014), who believe that a lack of foreign marketing experience is a big challenge for SMEs.

2.1.3 Export performance

The study on the concept of export performance has been on the increase in the extant literature.

Export performance is essential to the survival and growth of export firms in diverse ways (Tran et al., 2015). The concept has been seen from several angles. Shoham (1996) defined export performance as the outcome of a company's operations in foreign markets. It refers to how well a company meets its goals while exporting a product to a foreign market (Navarro et al., 2010). Because of the various definitions of the concept of export performance, there is also arguments over the variables of indices that should be used to measure it.

The success of a company, division, or export effort is rarely measured by a single variable; instead, numerous factors must be evaluated. Furthermore, because performance objectives may be incompatible with one another, and enhancing one dimension may necessitate sacrificing another, success may be a matter of degree rather than a simple yes or no (Carneiro et al., 2011). However, Aaby and Slater (1989) divided export performance variables into four categories; firm characteristics (size, managerial commitment, managerial perceptions); firm competences (technology, market knowledge, market planning, export policy, control systems, quality control, communication skills); export strategy (market selection, use of intermediaries, product mix, product development, promotion, and pricing); and external environment.

Export proportion of sales or export intensity, export sales growth, export profit level, export sales volume, export market share, and export profit contribution are the most commonly used measures of export success according to Leonidou et al. (2002). Many other categorizations also exist in the export performance literature. However, this study used export intensity and export sales growth from Leonidou et al. (2002). Although there are some objectives of its use in measuring export performance, export intensity is the most utilized metric (Sousa, 2004).

2.1.4. Export Barriers and Export Performance

An examination of the enormous amounts of literature dealing with exporting barriers that SMEs in developing countries face reveals that there has been a dearth of research on the topic. According to Leonidou (2004), the majority of studies have reported on data collected in industrialized countries, mainly western ones. As a result, it is disappointing to see how little is known about these companies' foreign activities in less developing nations like Nigeria. As a result, SMEs in developing nations may face challenges that are distinct from those faced by their counterparts in the industrialized nations. As

several authors have pointed out (Leonidou, 2004; Kazem & Van Der Heijden, 2006), understanding the extent and relevance of various export barriers can be widened by extending such studies beyond the developed world. Lall (1991) suggested that export restrictions should not be analyzed in isolation, but rather as part of a larger picture. As a result, evaluating export barriers from a broader perspective will allow for a more comprehensive knowledge of not just the problems themselves, but also the circumstances that contributed to their creation.

Okpara and Koumbiadis (2008) analyzed the factors hindering export development of SMEs in Nigeria and found that the various obstacles facing SMEs in export markets in Nigeria were; finance, qualified employees, fear of international competition, lack of productive capacity, bad infrastructure, corruption, bureaucracy, and a general lack of information about how to export . Abubakar (2012) looked at the export performance of SMEs in the Nigerian leather industry, as well as the mediating effect of export difficulty perception. The study's findings revealed among other things, that export barriers are a major problem for SMEs in the Nigerian leather industry.

Mpunga (2016) used descriptive statistics and the correlation approach on survey data obtained from 160 SME firm owners to investigate the factors affecting export success for Tanzanian SMEs. The researcher focused on the effects of exporting businesses competences, export market-related characteristics, and the domestic economy's enabling environment on SMEs' export performance. According to their findings, Tanzanian SMEs are severely limited in their ability to export due to a lack of necessary skills. The study also found that the features of SMEs export destinations have a substantial impact on their export performance, and that domestic business laws and regulations have a considerable impact on SMEs' exporting potential in Tanzania.

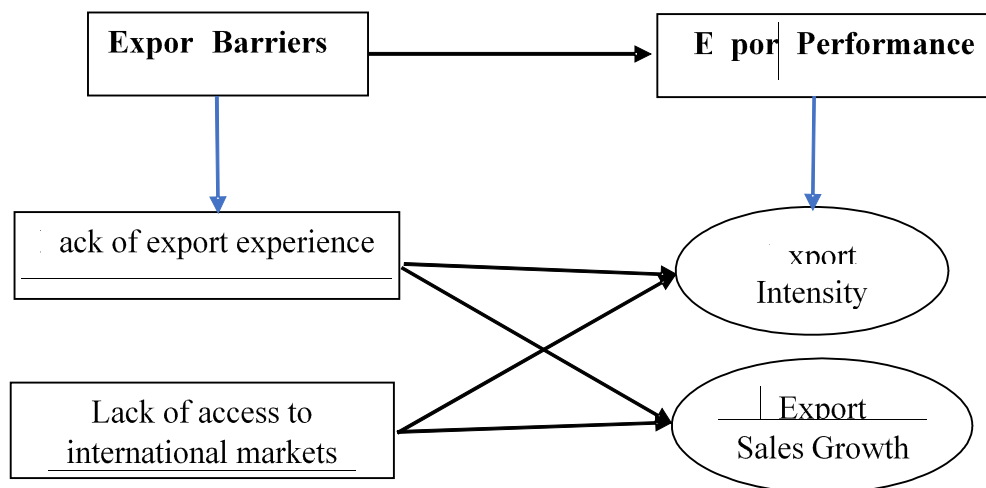


Fig 2.1: Conceptual framework of the study on the effect of export barriers on export performance of leather products' SMEs' in Aba, Abia State, Nigeria.

Source: The researchers' concept (2020)

2.2 Drivers of venture level export performance by Kahiya and Dean (2014)

Kahiya and Dean (2014) constructed a model that depicts the antecedents of export success as well as the theoretical foundations that support them. The model was designed to provide a more comprehensive picture of the many factors that influence venture-level export performance. Kahiya and Dean (2014) found that the export barriers and export performance discourse are frequently handled from two different viewpoints using this paradigm. Export barriers, from the standpoint of international trade, are a genuine or perceived difficulty that affects the efficiency of an economic system while stifling export performance at the national or aggregate level.

Export barriers on the other hand, are mostly perceptual from the aspect of export marketing, since they reflect mental models connected with interpreting and responding to the export development undertaking. Because it assesses performance at the micro or export venture level, the latter viewpoint is particularly attractive. This viewpoint claims that attitudes toward or perception of risks, resource needs, cost, complexity, and profitability of export development may all be explained by attitudes toward or perceptions of risks (Leonidou et al., 1998). This study aligns with the Kahiya and Dean, (2014) model as it addresses the barriers to export performance and possible areas of export market attractiveness. Some of the barriers constituting this factor according to the model include, foreign competition in overseas markets, failure to see global opportunities and the high cost of traveling abroad.

3.0 METHODOLOGY

3.1 Research design

The survey method was employed as the study's research design. The survey method was chosen because it best describes the preferences, behaviour, or factual information of the respondents being studied, which was the case in this study. Using the survey method, the researchers gathered respondents who are producers of leather products in Aba, Abia State of Nigeria and questioned them on how export barriers affected their export performance.

3.2 Population of the study

The population of this study comprised of 8,620 operators of leather products SMEs in Aba, Abia State, Nigeria (Development Facility Phase II, 2018). The population distribution was as follows;

Table 3.1 Population distribution of Leather Products SMEs in Aba, Abia State of Nigeria

S/N	Aba leather Cluster	Number of producers/shops	Approx. minimum number of employees	Total number
1.	Powerline	650 Shops	5	3250
2.	Shoe Plaza	1290 Shops	3	3870
3.	Bakassi	200 Producers	3	600
4.	Nwaogu	300 Shops	3	900
Grand Total				8,620

Sources: Development Facility Phase II, (2018)

3.3 Sample size and sampling technique

A sample size of 382 was obtained for the study using Taro Yamane's sample size determination formula. Hence, copies of the questionnaire were administered to 382 respondents. Because, there does not exist such a list of all leather products manufacturers in Aba, Abia State, it was not possible for us to arrange our sampling frame. Therefore, respondents were selected using convenience-sampling method. Convenience sampling method offered the researchers the opportunity to select the leather products' manufacturers in the study area who were willing to engage in the study. We approached these leather products' manufacturers in their work places where copies of the questionnaire were administered to them. We first approached the participants and first asked if they were disposed to participate in the study. Only those that showed willingness participated. Copies of the questionnaire was collected immediately after completion.

3.4. Questionnaire design and measures

The questionnaire that was used in this study consisted of two main sections. The first section contained the socio-economic characteristics of the participants such as their gender, age, marital status, educational background, and years of experience in the leather products business. The second section of the questionnaire contained questions directed to the scale items (indicators), selected to measure each construct based on existing measures from previous studies like those of Leonidou (2000), Leonidou et al. (2002) and Jalali (2012) on a five-point Likert scale and for the test the hypotheses

3.5 Validity and reliability of the instrument

The questionnaire was validated by two research experts in measurement and evaluation and one in marketing. Minor errors detected in the valuation process were effected before it was put to use.

To achieve reliability, firstly, test-retest was done on the research instrument within a period of three (3) weeks. After which, the Cronbach's coefficient alpha was used to determine the internal reliability of the research instrument. This was done by subjecting items to internal consistency technique to assess the reliability. Collected pre-testing data were entered into SPSS version 25.0 data analysis software to generate instruments internal consistency data. Nunnally (1978) suggested that a Cronbach's alpha that is greater than 0.7 is considered adequate and reliable for a given data collection instruments.

Table 3.2: Reliability scores of the variables

S/N	Items	Cronbach's Alpha
1.	Lack of export experience	.730
2.	Lack of access to international markets	.817
3.	Export sales Growth	.766
4.	Export Intensity	.924

Source: SPSS Output, 2020

3.6 Method of data analysis

All hypotheses were tested with simple regression model. All analyses were done using the SPSS software version 25.0.

4.0 Results and discussion

4.1 Presentation of data

4.1.1 Questionnaire Distribution and Return

Table 4.1 Distribution and return of questionnaire

Copies of Questionnaire Administered	Copies of Questionnaire Returned	%	Copies of Questionnaire Not returned	%
12	382 3%		370	97%

Source: Survey data, 2020

For this study, a total number of three hundred and eighty-two (382) copies of questionnaire were administered. Out of this number, three hundred and seventy (370) were returned, while twelve (12) were neither filled nor incorrectly filled. Thus, the presentation and analyses of data were based on the correctly completed copies of the questionnaire as follows;

4.2 Test of Hypothesis

4.2.1 Effect of lack of export experience on export intensity of leather products SMEs in Aba, Abia State, Nigeria

Table 4.2 Simple regression on the effect of lack of export experience on export intensity of leather products SMEs in Aba, Abia State, Nigeria

Model	B	Std. Error	t-value	P-Value	R	R ²	F-Ratio
(Constant)	8.406	2.842	1.736	0.061	0.512	0.489	16.168
Lack of export experience	-0.297	0.080	-3.700	0.000			

Source: Field Survey, 2020

The regression result in Table 4.2 shows that lack of export experience was a negative and significant factor affecting export intensity of leather products SMEs in Aba, Abia State, Nigeria. Lack of export experience was significant at 1% probability level and negatively related to export intensity of leather products SMEs in Aba, Abia State, Nigeria. This indicates that the export intensity of leather products SMEs in Aba, Abia State, Nigeria is greatly affected by the lack of export experience observed among the leather products manufacturers. Thus, as lack of export experience increases, export intensity of leather products SMEs in Aba, Abia State, Nigeria also decreases and vice versa. The F-statistic in the regression above was 16.168 and significant at the 1% probability level indicating that the model specification was correct. The estimated regression equation shows that export intensity of leather products SMEs in Aba, Abia State, Nigeria is a linear function of lack of export experience. The r^2 value of 0.603 indicates that 60% of the variation in export intensity of leather products SMEs in Aba, Abia State, Nigeria was explained by lack of export experience. This assertion is at the 99% confidence level.

4.2.2 Effect of lack of access to international markets on export sales growth of leather products SMEs in Aba, Abia State, Nigeria

Table 4.3 Simple regression on the effect of lack of access to international markets on export sales growth of leather products SMEs in Aba, Abia State, Nigeria

Model	B	Std. Error	t-value	P-Value	R	R²	F-Ratio
(Constant)	1.752	5.236	0.335	0.461	0.502	0.498	12.200
Lack of access to markets	-0.476	0.141	-3.376	0.040			

Source: Field Survey, 2020

The regression result in Table 4.3 shows that lack of access to international markets was a negative and significant factor affecting export sales growth of leather products SMEs in Aba, Abia State, Nigeria. Lack of access to international markets was significant at 5% probability level and negatively related export sales growth of leather products SMEs in Aba, Abia State, Nigeria. This implies that export sales growth of leather products SMEs in Aba, Abia State, Nigeria is greatly affected by lack of access to international markets. As lack of access to international markets increases, export sales growth of leather products SMEs in Aba, Abia State, Nigeria also decreases. The F-statistic in the regression above was 12.200 and significant at the 5% probability level indicating that the model specification was correct. The estimated regression equation shows that export sales growth of leather products SMEs in Aba, Abia State, Nigeria is a linear function of lack

of access to international markets. The r^2 value of 0.498 indicates that 50% of the variation observed in export sales growth of leather products SMEs in Aba, Abia State, Nigeria was caused by lack of access to international markets. This assertion is at the 95% confidence level. This result confirms that lack of access to international markets can go a long way in negatively affecting export sales growth of leather products SMEs in Aba, Abia State, Nigeria.

4.2.3 Effect of lack of export experience on export sales growth of leather products SMEs in Aba, Abia State, Nigeria

Table 4.4 Regression on the effect of lack of export experience on export sales growth of leather products SMEs in Aba, Abia State, Nigeria

Model	B	Std. Error	t-value	P-Value	R	R²	F-Ratio
(Constant)	4.112	0.301	13.679	0.000	0.482	0.464	21.178
Lack of export experience	-0.499	0.130	-3.838	0.000			

Source: Field Survey, 2020

The results of the effect of lack of export experience on export sales growth of leather products SMEs in Aba, Abia State, Nigeria using simple regression model are presented in the Table 4.4. From the simple regression analysis table, lack of export experience was statistically found to be a significant (1% probability level) and negative predictor of export sales growth of leather products SMEs in Aba, Abia State, Nigeria. Thus, it can be said with 99% confidence level that lack of export experience of the leather products SMEs in Aba, Abia State, Nigeria plays significant role in determining the level of their export sales growth. As lack of export experience increases, export sales growth of the leather products SMEs in Aba, Abia State, Nigeria decreases. Also, the R square value of 0.464 implies that 46% of the variation in export sales growth of leather products SMEs in Aba, Abia State, Nigeria was accounted for by the level of lack of export experience. The remaining 54% can be traced to the residual factors denoted by e_i in the regression equation. Thus, export sales growth of leather products SMEs in Aba, Abia State, Nigeria will improve when export experience increases. Similarly, the f-ratio value of 21.178 indicates that the model specification was correct while significant at 1%.

4.2.4 Effect of lack of access to international markets on export intensity of leather products SMEs in Aba, Abia State, Nigeria

Table 4.5 Regression on the effect of lack of access to international markets on export intensity of leather products SMEs in Aba, Abia State, Nigeria

Model	B	Std. Error	t-value	P-Value	R	R²	F-Ratio
(Constant)	5.253	1.467	3.450	0.021	0.481	0.451	36.497
Lack of access to markets	-0.379	0.101	-3.753	0.000			

Source: Field Survey, 2020

Table 4.5 shows the effect of lack of access to international markets on export intensity of leather products SMEs in Aba, Abia State, Nigeria. From the simple regression analysis table, lack of access to international markets was found to be statistically significant at 1% and with a negative figure. It means that when the leather products SMEs lack access to international markets, it will result to a decrease in export intensity. The R square value of 0.451 shows that 45% of the variation in export intensity of leather products SMEs in Aba, Abia State, Nigeria was accounted for by lack of access to international markets. Similarly, the f-ratio value of 36.497 indicates that the model specification was correct while significant at 1%. This assertion is at the 99% confidence level.

4.3 Discussion of Findings

The essence of the study was to examine export barriers and their effect on export performance of leather products SMEs' in Aba, Abia State, Nigeria. In the present study, lack of export experience was a negative and significant factor affecting export sales growth and export intensity of leather products SMEs in Aba, Abia State, Nigeria. Previous findings have shown that lack of experience is negatively correlated with export performance (Okpara and Koumbiadis, 2008; Leonidou, 2000; Jalali, 2012). This means that experience can be a key component in exporter's success in overcoming and resolving export hurdles and issues.

SMEs exporters have a number of fundamental problems, according to Leonidou (2000), including a lack of understanding about foreign markets. Thus, lack of export experience is significantly related in a negative way to export intensity and export sales growth. Exporting SMEs' export intensity might be affected by a lack of awareness about prospects in the export market.

Lack of access to international markets was a negative and significant factor affecting export sales growth and export intensity of leather products SMEs in Aba, Abia State, Nigeria. This result is in agreement with previous findings. According to OECD (2008), the second most common barrier to SMEs' export performance is the difficulty in finding and

selecting business opportunities abroad. Other authors (Yener et al., 2014; OECD, 2008; Caneiro et al., 2011; Okpara and Koumbiadis, 2008) have stated that SMEs' incapacity to reach international markets makes it harder for them to take advantage of international business prospects.

5.1 Summary of Findings

It was revealed in the study that lack of export experience was a negative and significant factor affecting export intensity of leather products SMEs in Aba, Abia State, Nigeria.

The study revealed that lack of access to international markets was a negative and significant factor affecting export sales growth of leather products SMEs in Aba, Abia State, Nigeria.

Lack of export experience was statistically found to be a significant and negative predictor of export sales growth of leather products SMEs in Aba, Abia State, Nigeria.

Lastly, lack of access to international markets was found to be statistically significant at 1% and with a negative figure. It means that when the leather products SMEs lack access to international markets, it will result to a decrease in export intensity.

Conclusion and policy implication

The results of this study have confirmed that export barriers affect the export performance of leather products SMEs' in Aba, Abia State, Nigeria. These export barriers are the lack of export experience as well as their inability to access international markets. The SMEs in Aba, Abia State lack the requisite export knowledge and experience and this greatly affect their export participation. Thus, there is a need to increase their export knowledge. The presence of Aba Chamber of Commerce, Industry, Mines and Agriculture (ACCIMA) and Nigerian Export Promotion Council (NEPC) in the city of Aba and other places should help bridge the export knowledge gap that are needed by these leather products' manufacturing SMEs. Hiring managers with experience in international markets can provide knowledge and skills which can be improved through training and experience.

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EMPLOYEES' RECOGNITION AND REWARD SYSTEM AS PREDICTORS OF PRODUCTIVITY IN NIGERIA: A STUDY OF MULTINATIONAL CORPORATION

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ABSTRACT

This study examined employees' recognition and reward system as predictors of productivity in Nigeria: a study of multinational corporation. The study employed a survey research design. Secondary data were obtained and analysed using Chi-square inferential statistical tool. Findings from the study showed that the overall influence of employee recognition and reward system as predictor of productivity of selected multinational company, Nigeria, was significantly positive. However, the study stated and tested two hypotheses and result obtained from the findings is as follows. Hypotheses 1 shows that employee recognition had significant and positive relationship with organisational performance. Hypotheses 2 shows that there was no significant and positive impact of reward system on organisational productivity in the study. The study concluded that the ability of organisations to achieve their business strategy and have a sustainable competitive advantage depends to a large extent on the performance of employees. In their bid to motivate employees to achieve high performance and productivity, employee's recognition and reward system are imperative. The study thus recommended that management should provide employees with adequate compensation and good rewards system in order to improve their performance and level of productivity.

Keywords: Employee recognition, reward system, performance, productivity, Nigeria.

INTRODUCTION

Majority of organisation in Nigeria, motivation is considered to be the most important management tool for enhancing employee's performance and organisations productivity. To increase productivity, resources must be well utilized and customers well served. To achieve such ends, all of an organisation's human and material resources must be well utilized in the right way and the right time to create high quality products at minimal cost.

Organisation productivity is defined as the relationship between the volume of goods and services that are produced to the physical inputs used, and the aim of every organisation is to increase and

manage productivity. All factors of production must however be channelled adequately to attain a particular goal, and for such organisation to achieve its aims, man should stand out among all the factors of production, because he puts all other factors like land, capital, machine, time, skill, knowledge and ability (Owojor & Asaolu, 2010). This notwithstanding, man and his skills remain insatiable which pose problem to work organization.

Organisations therefore are experiencing a lot of issues surrounding low productivity of the employees as well as the organisation. Managing such issues with varieties of managerial strategies require a careful handling in order to increase the overall productivity. One of such pressing challenges revolves around employee's recognition and reward system. Employee recognition and reward system has been identified to be a strong motivational tool that enriches employees' energies towards the accomplishment of organisational goals and objectives in enhancing employee performance and organization productivity (Rahim & Daud, 2017).

Many organisations are increasingly making use of employees' recognition and reward system to motivate employees to achieve high performance and productivity. The ability of organisations to achieve their business strategy and have a sustainable competitive advantage depends to a large extent on the performance of employees. In their bid to motivate employees to achieve high performance and productivity, organisations often placed emphasis on financial rewards at the expense of non-financial rewards such as recognition. However, considerable basic research has shown that though financial rewards positively reinforce performance, enhancing behaviours and satisfy employees to some extent, but for committed employees, recognition must be given to keep them motivated, appreciated and committed (Danish & Usman, 2015).

Multinational corporations in Nigeria are not excluded from employee recognition and reward system as long as the human element is part of its resources. Employee recognition and reward system pointed out employee value and contribution at the right moment as a result of its instantaneous nature and the continuous changing work environment.

Many organisations are resistant to adopting recognition and reward system for their employees. It has been observed that when organisations recognize and acknowledge employees in terms of their identification and working capacity, performance is seen to be very high because of the loyalty and commitment built over the years. On the other hand, when effective recognition is provided in the workplace, favourable working environment is produced, which motivates employees to become committed to their work and excel in their performance. Highly motivated employees serve as the competitive advantage for an organisation because their performance leads the organization to accomplish its goals and business strategy as well as achieve growth and prosperity.

However, organisations that resist implementing employee recognition and reward experience a demotivated environment by producing low or discouraged employees who hardly practice their skills, innovativeness and commitment to the extent of the organisation needs. To this effect, this study seeks to explain further and identify the effects, impact benefits of employee recognition and reward system as predictors of productivity in Nigeria particularly in Multinational corporations. Similarly, this study sets to deepen our understanding and expose us to more facts in terms of benefit and economic advantage that employee's recognition and reward system will benefit in choosing right and effective means of higher range of production and meeting up global market competitiveness.

Against this backdrop, the study intended to find employee recognition and reward system as predictors of productivity in Nigeria. This is for the purpose of ascertaining the relevance and benefit of employee recognition and reward system. As such the problem of the study is to help make recommendations to fill the gap between employee recognition and reward system and its influence in the organisation productivity.

This study conceptualized employees' recognition and reward system as predictors of productivity in Nigeria. While the specific objective includes:

- i. To determine the relationship between employees' recognition and organisational performance.
- ii. To examine the impact of reward system on organisational productivity.

2.0. Literature Review

This section reviewed the conceptual and theoretical framework of the study, as well as empirical review that provide the context for the research method.

Conceptual Review

The ability of organisations to achieve business strategy and have a sustainable competitive advantage depends largely on the performance of employees. In the bid to motivate employees to achieve high performance, organisations often place emphasis on financial rewards at the expense of non-financial rewards such as recognition. Considerably, basic research has shown that though financial rewards positively reinforce performance-enhancing behaviours and satisfy employees to some extent but for committed employees, recognition must be given to keep them motivated, appreciated and committed (Luthans, 2015; Danish & Usman, 2010). Employee recognition has been identified to be a strong motivational tool that enriches employees' energies towards the accomplishment of organisational goals and objectives (Imran, Ahmad, Nisar & Ahmad, 2014)

Employee recognition, according to Harrison (2015), involves the timely, informal and/or formal acknowledgement of a person's behaviour, effort or business result that supports the organisation's goals and values, and which clearly has been beyond normal expectations. Recognition has been held to be a constructive response and a judgment made about a person's contribution, reflecting not just work performance but also personal dedication and engagement on a regular or ad hoc basis, expressed formally or informally, individually or collectively, privately or publicly, and monetarily or non-monetarily (Brun & Dugas, 2016). As rightly stated by Nyakundi, Karanja, Charles and Bisobori, (2012) the aim of employee recognition is to allow individuals to know and understand that their work is valued and appreciated, provides a sense of ownership and belongingness, improves morale, enhances loyalty and increases employee retention rate in the organization.

Effective recognition occurs in organisations with strong, supportive culture that understand the psychology of praising employees for their good work and apply the principles of employee recognition to encourage other employees to initiate their working relationship (Harrison, 2005; Saunderson, 2014). Manjunath and Rajesh (2015) as well as Ferguson and Reio (2010) in their studies also pointed out that individuals already have the potential and required expertise to drive higher performance levels but need to be driven by employee recognition.

Benefits of Employee Recognition

According to Nelson (2015) as cited in Luthans, (2017) posited that an effective employee recognition culture is achieved where the recognition programs designed and implemented, fully support the organization's strategic goals and corporate values. Employee recognition has been identified to be a highly effective motivational instrument that can have significant positive impact on employee job satisfaction and performance as well as overall organizational performance (Rahim & Duad, 2016).

Reward systems are central to the Human Resource Management function. Their purpose is to attract talented individuals, motivate them and retain those that have a better fit with the organization. Reward systems have a direct impact (and in most firms the most important one) on the cost side of the organization's financial statement. They are strategic as they influence people's attitudes, behavior and performance (Gomez-Mejia *et al.*, 2010). Here we provide an overview of reward systems and their main components. Reward System comprises the extrinsic and intrinsic reward mechanisms available to an employer to motivate, attract and retain employees

The key purpose of this reward mechanism is to provide a safe and comfortable environment for

employees. Normally, this element of the reward package refers to the physical setting in which employees work (e.g., size of the offices, desk space, temperature, work machinery, work materials). In some countries such as the UK, employers have, by law, a “duty of care” to look after the health, safety and welfare of their employees while at work.

They are required to identify potential health and safety hazards and respond to eliminate them. Some organizations, however, provide additional security and comfort to further please their employees. This growing need for recognition among workers is partly due to specific social and organizational contexts.

Theoretical Review

Approaches to employee recognition are: (1) the ethical perspective; (2) the humanistic and existential view; (3) the work psychodynamics school; and (4) the behavioural outlook. These in turn are expressed through four employee recognition practices (see Figure 1): (a) personal recognition; (b) recognition of work practices; (c) recognition of job dedication; and (d) recognition of results. These four recognition practices fulfil a variety of staff needs: on one hand, to be recognized as full-fledged individuals, and on the other, to be appreciated as workers capable of being committed to their jobs, to invest time and energy in them, to perform their duties competently and to deliver concrete results.

The ethical perspective

Human resource and organizational management ethics are particularly fashionable at the moment. This branch of ethics affects each part, each function and each process in the organizational world, and the field of industrial relations is no exception.' (Lapointe, 2016). That is why it comes as no surprise that the ethical perspective provides considerable grist for thinking about employee recognition. The ethical discourse promotes the idea that recognition is a question of human dignity and social justice, and not just an organizational performance or workplace mental health issue (Brun 2014). The concept of human dignity is founded on the belief that the person is an end in itself and as such should not be considered as a mere means or instrumental entity for the company (De Konink 2017). Human dignity and respect for the irreducible, inalienable nature of the person go hand in hand. In this perspective, the worker cannot be designated merely as a number, case or file. The notion of equality among people to which one is entitled simply by being human is also associated with employee recognition.

The Humanistic and Existential View

The humanistic and existential view is closely related to the ethical approach, it is concerned with

recognizing people, their being, their unique, distinctive character and their existence. The belief underlying this perspective is a fundamental trust in humanity and the potential of people and communities. Here the notion of justice is not central. The theory states that if employees are provided with proper working conditions both financial and material benefits particularly in the area of relationships, communications, power and independence, it will be easier for them to approach their work positively and align themselves with organisational objectives. They will also work more creatively toward achieving these objectives (Martin, Lenhardt & Jarrosson 2016). According to this perspective, it is important to take the time to 'get to know the people we work with, fully acknowledge their existence and ultimately give meaning to their actions' through recognition (Bourcier & Palobart 2017).

In the humanistic and existential view, recognition approaches employees or trade groups as bearers of intelligence, emotions, and expertise (Jacob 2014). Specifically, it consists of an a priori recognition; that is, recognition immediately granted to everyone based on the principle of equality among people by virtue of their common humanity. It is often expressed in everyday interpersonal relations and gestures.

The Work Psychodynamics School

According to the work psychodynamics theory, recognition is a reward expected by the subject that is largely symbolic in nature. It involves two central components: it is recognition in the sense of acknowledgement, or rather, 'recognition of the reality of the subject's contribution to the organization' (Dejours, 2016). This type of judgment tends to be frequently resisted by the management chain because it points to deficiencies in work organization. Recognition exists as well in the sense of gratitude, to highlight a worker's contribution to the performance of work. This second form of recognition is generally even less forthcoming in the workplace.

Recognition also stems from a judgment made about the work accomplished and its results; it is expressed in two ways. The first type of judgment, called the 'benefit judgment', is primarily issued by supervisory personnel, clients or subordinates, and addresses the social, economic and technical benefits of the employee's work.

The Behavioural Outlook

The behavioural outlook embodies a viewpoint that differs greatly from the concept just described. Under this fourth approach, human behaviour is controlled by its consequences within an effort-reward model (Siegrist, 2016). Recognition thus becomes a method for positively reinforcing observable on-the-job actions and behaviours considered desirable by the company (Nelson, 2016).

In this way, the recognition of results takes on increased importance in behaviourist management practices. However, positive reinforcement is rarely advocated as the sole method for recognizing employees' work. Spontaneous, interpersonal expressions of recognition are considered just as important, if not the foundation for all practices aimed at reinforcing worker behaviour.

As an expression of judgment, appreciation and gratitude toward an individual or team, recognition of results is concerned primarily with the effectiveness, benefit and value of the work performed. It also involves an evaluation of employees' performance and productivity, as well as their successes and failures. Workers therefore feel they are being recognized for their contribution to delivering results, which has the effect of increasing their sense of usefulness, effort-reward balance (Siegrist, 2014), effectiveness, and value to the organization. On the other hand, some studies also show that recognition of results, for example through salary (annual increases, bonuses, incentive bonuses, etc.) has little effect on employee performance in the medium and long terms (Bishop, 2014).

Empirical Review

Gostick and Elton (2017) conclude that if employee recognition is conducted properly, it can increase profitability and customer service levels, and heighten employee engagement and satisfaction. Nelson (2015) concludes that recognition leads to improved communication (employees are more likely to offer solutions and new ideas), better cooperation (employees are more likely to offer to help and go the "extra mile") and decreased absenteeism and turnover (employees will demonstrate higher job satisfaction and loyalty).

Darling, Arm and Gatlin (2017) argues that one of the most effective morale boosters is praise for a job well done. She further surmises that regularly recognizing and rewarding employees can be one of the easiest ways to keep employees satisfied and productive.

Nelson and Spitzer (2015) state that managers need to be in constant contact with the employees if they are to determine what they most value and then find ways to act systematically on those desired forms of recognition and rewards as they perform well. Allen and Helms' (2015) confirmed the importance of regular expressions of appreciation by managers and leaders to encourage behaviour of employees to reach strategic goals.

Thumbran (2016) has argued that by offering nonfinancial rewards to potential and existing employees would be both relevant and beneficial to business and this would enable businesses to better strategize in terms of the value offered to employees.

According to Imran, Ahmad, Nisar and Ahmad (2014), satisfied employees have positive attitude towards organisation and their jobs thereby increasing the quality and quantity of employee

performance. On the basis of the reviewed literature, the study hypothesized that:

H₁: That there is no relationship between employee's recognition and organisational performance

H₂: Rewards system does not have impact on organisational productivity.

3.0 Research Methodology

For the purpose of carrying out a sound analysis and arriving at a reasonable conclusion, descriptive survey design was adopted. It entailed the collection of data from selected Multinational corporations in Nigeria. The study population consists of selected Multinational corporations in Nigeria

The sample group covers respondents from top, middle, low-level management and supervisory cadres in the human resources, production, corporate planning, and marketing and finance departments of selected Multinational corporation in Nigeria. The study employed the use of simple random sampling technique. This enables the researcher to pick at random without subjective measure and it also gave room for positive conclusion.

The data collection method involved both primary and secondary sources. The instrument was designed using five Likert scale; Strongly Agree (SA), Agree (A), Undecided (UN), Disagree (D) and Strongly Disagree (SD). The self-constructed questionnaire was given to some senior colleagues, experts who are knowledgeable on the subject-matter to confirm the plausibility of the test items compared with the hypotheses they are meant to test. Thereafter, the questionnaire was given to the supervisor who made necessary corrections before distribution took place. Nevertheless, much reliance was placed on the supervisor who attested to the procedure and validity of the instrument. The instrument was also pilot tested to determine its reliability value and Cronbach value of 0.78 was established. This shows that the instrument is reliable and it can be used for further analysis.

For easy computation and analysis of data collected for this research work, simple percentage with tabular presentation was used for the computation of the frequency of occurrences of each question in questionnaire. Also, Chi-square inferential statistics tool was used to test the stated research hypotheses with the aid of Statistical package for social sciences (SPSS) version 23.

4.0 Data Analysis and Interpretation of Results

4.1 Descriptive Analysis (Bio-Data Information)

This section exhibits the data retrieved from the questionnaires that was distributed to the selected staff of Multinational corporations in Nigeria. The data were presented, analysed, and interpreted

using chi-square (X^2) statistical method. The test was carried out at 0.05 level of significance. However, the table below displayed how the questionnaires were distributed and received in terms of the total number of questionnaires distributed; total number of questionnaires retrieved, as well as its relative percentage:

Table: 4.1

Study Area	Total Number of Questionnaire Distributed	Total Number of Questionnaire Received	Percentage (%)
	200	181	90.5%
Total	200	181	90.5

Source: Field Survey, February, 2021

4.2 Analysis of Personal Information of Respondents

4.2 Respondents According to Gender

Gender	Frequency	Percentage
Male	140	77.3
Female	41	22.7
Total	181	100

Source: Field Survey, February, 2021

The table above shows that male workers consisting of 77.3 percent while 22.7 percent are female workers. The inference drawn is that male workers outnumbered their female counterparts. This signifies that more male workers were involved in this study

Table 4.3 Respondents According to Age

Age	Frequency	Percentage
Below 20 years	7	3.9
20-30 years	56	30.9
31- 40 years	73	40.3
41 years and above	45	24.9
Total	181	100

Source: Field Survey, February, 2021

The table shows that respondents whose age falls below 20 years comprised 3.9% and those respondents between 20-30 years were 30.9%, 31- 40 years were 40.3%, 41 years and above comprise 24.9%. Therefore, workers between the ages of 31 – 40 years had the highest frequency. It therefore means that 98.9% of the total population was matured workers. This is due to the fact that, the study selected Multinational corporation were into manufacturing which required matured minds to work in such corporations.

Table 4.4 Distribution of Respondents by Educational Qualification

Qualification	Frequency	Percentage
Secondary Education	50	27.6
Post-Secondary Education	80	44.2
Master's Degree	30	16.6
Others	21	11.6
Total	181	100

Source: *Survey Research*, February, 2021.

It was seen in the above table that respondents whose educational qualification falls within the secondary education comprised 27.6%, post-secondary education 44.2%. master's degree 16.6%, and others fall within 11.6%. Therefore, post-secondary education 44.2% specify the highest number of workers.

Table 4.5 Distribution of Respondents by Length of Services

Length of Service	Frequency	Percentage
0 – 5 Years	40	22.1
6 – 10 Years	70	38.7
11 – 15 Years and Above	71	39.2
Total	181	100

Source: *Survey Research*, 2021

The above table shows that 40 respondents fall between 5 years and above, 70 respondents representing 38.7% length of service was within 6 – 10 years and 11 – 15 years and above were 71 respondents representing 39.2%.

Table 4.6 Distribution of Respondents by Occupational Status

Occupational Status	Frequency	Percentage
Top level management	45	24.8
Middle level management	70	38.7
Lower-level management	55	30.4
Others	11	6.1
Total	181	100

Source: *Survey Research*, February, 2021.

The above table shows that 45 respondents representing 24.8% are of the category of upper level, 70 respondents representing 38.7% are of the middle level while that of the lower-level shows respondents representing 30.4 % of the total respondents.

Table 4.7 Distribution of Respondents by Marital Status

Marital Status	Frequency	Percentage
Married	100	55.3
Single	50	27.6
Others	31	17.1
Total	181	100

Source: *Survey Research*, February, 2021.

From the above table, 50 were single representing 27.6 % while 100 respondents were married representing 55.3% and 17.1% were others which can be classified as divorced or separated.

4.3 Testing of Research Hypotheses (Inferential Analysis)

In the course of this research, hypotheses formulated are thereby putting to test in findings such as if they have any bearing on the existing knowledge.

To determine the relationship between employees' recognition and organisational performance.

Hypothesis 1

Ho: There is no significant relationship between employee recognition and organisational performance.

H1: There is a significant relationship between employee recognition and organizational performance.

$$X^2 = \sum \frac{(O-E)^2}{E}$$

Decision Rule: At 0.05 level of significance, the null hypothesis is rejected if X^2 calculated value is greater than X^2 tabulated value and alternative hypothesis is accepted, otherwise, decision is reversed.

To test the hypothesis one, statements, (Item 7) was used

Response	O	E	O-E	(O-E) ²	(O-E) ² /E
Strongly Agreed	65	36.2	28.8	829.44	22.91
Agreed	72	36.2	35.8	1281.64	35.40
Undecided	10	36.2	-26.2	686.44	18.96
Disagreed	4	36.2	-32.2	1036.84	28.64
Strongly Disagreed	30	36.2	-6.2	38.44	1.06
Total	181				106.97

Expected frequency = 36.2

$$\frac{181}{5} = 36.2$$

Level of significance = 0.05

Degree of freedom (d.f) = (r - 1) (c - 1)

$$(5 - 1) (2 - 1)$$

$$4 \times 1$$

$$= 4$$

X^2 tabulated (4, 0.05) = 9.49

Decision Rule

The above result i.e. hypothesis one shows that X^2 tabulated value (106.97) is greater than table value (9.49). Hence, null hypothesis is rejected and alternative hypothesis is accepted. Therefore, result obtained shows that **there is a significant relationship between** employee recognition and organizational performance.

Hypothesis Two

Ho: There is no significant impact of reward system on organizational productivity.

H1: There is a significant impact of reward system organizational productivity.

Using Chi-square (X^2) test

$$X^2 = \sum \frac{(O-E)^2}{E}$$

Decision Rule: At 0.05 level of significance, the null hypothesis is rejected if X^2 calculated value is greater than X^2 tabulated value and alternative hypothesis is accepted, otherwise, decision is reserved.

The value of the cut-off point of X^2 0.95 at 4 degrees of freedom is 9.49

Views	Code	O	E	O-E	$(O-E)^2$	$\frac{(O-E)^2}{E}$
SA	5	39	36.2	2.8	7.84	0.21
A	4	39	36.2	2.8	7.84	0.21
U	3	33	36.2	-3.2	10.24	0.28
D	2	45	36.2	8.8	77.44	2.14
SD	1	25	36.2	-11.2	125.44	3.47
Total	15	181	181	0	228.8	6.31

Source: Field Survey 2021

$X^2 = 6.31$

Result

The above result i.e. hypothesis two shows that X^2 tabulated value (6.31) is less than table value (9.49). Hence, null hypothesis is accepted and alternative hypothesis is rejected. Therefore, result obtained shows that there was no significant impact of reward system on organizational productivity.

4.4 Discussion of findings

The findings in hypothesis one of this research work can be summarized as follows, that there was a significant relationship between employee recognition and organizational performance. **This study finding also corroborate Gostick and Elton (2017).** As stated earlier, employees are likely to be motivated to improve their performance with nonmonetary rewards such as employee recognition. Recognition is the acknowledgement, appreciation, or approval of the positive accomplishments or

behaviours of an individual or team. One valuable outcome and reason for recognizing employees is that studies show that people who feel appreciated are more positive about themselves and their ability to contribute, i.e., employee value can boost organizational efficiency (Gostick & Elton, 2017).

The findings in hypothesis two of this research work reveal that there was **no significant impact of** reward system on organisational productivity. This contradicts the study of Danish and Usman (2015) who argued that the ability of the organisations to achieve their business strategy and have a sustainable competitive advantage depends to a large extent on the performance of employees. In their bid to motivate employees to achieve high performance and productivity, organisations often placed emphasis on financial rewards at the expense of non-financial rewards such as recognition but this was not in the case of the studied corporations.

5.0 Conclusion and Recommendations

The research study has focused on employees' recognition and reward system as predictors of productivity in Nigeria; A study of multinational corporation. The primary objective was to determine the relationship between employees' recognition and organisational performance, and the impact of reward system and organisational productivity.

This paper work, provided necessary background information on the reasons and strategy an organization needs to adopt in enhancing higher performance and productivity. Motivation is the most important management tool for enhancing employee's performance and organizations productivity in order to increase higher commitment, resources must be well utilized and customers well served. To achieve such ends, all of an organization's human and materials resources must be well utilized in the right way and the right time to create high quality products at minimal cost. At this backdrop the researcher identifies the deficiency and fill the gap in the studied through this research work.

This work elucidated and expatiated on the various literatures that pre-existed this work. It was also focus of the concept, theories and empirical study postulated by various authors on the subject matter. It also focused on the procedures taken to carry-out the research. The procedures include: research design, population of the study, sample and sampling method, research instrument, validity and reliability of the instrument.

It is evident from the study that a variety of factors influence employee recognition and reward system on productivity. It was also significant to discover that there is a direct and positive relationship between employee's recognition and organisational performance. Hence, if rewards and recognition offered to employees were to be altered, then there would be a corresponding change in

work motivation and satisfaction. The direct translation of this could be that the better the rewards and recognition, the higher the levels of performance and productivity, and possibly therefore, the greater the levels of commitment and satisfaction on the part of employees in the organisation.

Recommendation

Based on the findings of this research work, it can be seen that employee recognition and reward system are sometimes predictor of organizational productivity. Recommendation made includes the following; -

1. Management should provide employees with an understanding on how they can impact the organization's goals and drive the business to success using recognition and good reward system.
2. To promote harmonious labour management relationship, managers should employ different strategies to motivate employees, especially recognition and reward system.
3. Management should pay workers' salaries on time and use incentives and remuneration to encourage workers to work and to minimize conflict.

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HISTORICAL AND THEORETICAL CRITIQUE OF COLLECTIVE BARGAINING POLICY IN NIGERIA

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ABSTRACT

The study's objective is to present a critical evaluation of the development of collective bargaining process in the public sector of Nigeria during colonial and post-colonial era. This study therefore adopted historical and theoretical evaluation of origin of collective bargaining policy in Nigeria. The study conducted a conceptual analysis and exploration of previous studies, archival and historical records to develop a critique of collective bargaining process in Nigeria. The study concluded that collective bargaining policy lacks efficiency as machinery used to determine wages and condition of employments of civil servant. This is because the public sector as employer of labour regulates the bargaining process by imposing the assuming right to accept, modify or even reject the terms of the agreement reached in any bargaining process and even may not implement collective agreement reached and accepted. This study revealed that this inherited bargaining behaviour and approach from colonial Government and the trends continue till date. This accounts for non-implementation of collective bargaining agreement and reactions from trade unions in form of strikes, protests and demonstration in the public sector especially in the tertiary institutions, other institutions in the educational sector and health sector.

Keywords: Collective Bargaining Policy, Trade Unions, Colonial authority, Wage Determination, Industrial Actions

INTRODUCTION

Neo-classical economists' analysis of wage determination through the competitive labor market did not take into account the very important fact, that many labor markets are not competitive. There is a considerable presence of distortion caused by non-competitive institutional elements such as trade unions, and collective bargaining (Fajana; 2000). The alterations of the labor market can bring about the imposition of the unions on firms, or the firms on union (Elegbede: 2016, Kaufman: 2013, Lipsey & Chrystal: 2007, Fajana: 2002). But an alternative approach which involves both the unions and firms is what is referred to as collective bargaining (Fajana; 1989). The success of collective bargaining depends on the strength of the collectivity of workers (Fashoyin: 1989), while it enables several individuals' needs to be aggregated into a single programme of demands (Fajana: 2002, Otobo: 2007, Fashoyin: 1992)

However, the unions' objective is to ensure through collective bargaining higher wages and better conditions of work (Chidi, 2014). In providing an explanation of the role played by collective bargaining in the public sector wage determination there is a need to explore its history and development in Nigeria from 1937 till date. The late development of wage employment account for the late development of trade union (Anyim, Elegbede, & Gbajumo-Sheriff: 2012) and subsequently other institutions and processes in industrial relations in Nigeria such as collective bargaining (Fashoyin; 1990, Fajana; 1991, Otobo; 1986).

Method

This study adopted historical and theoretical analyses to review and critique collective bargaining policy in the Nigerian Public Sector using extant literatures, journal articles, textbooks, prints and electronic media reports of the Federal Ministry of Labour during the colonial and postcolonial periods in Nigeria.

Theoretical Critique of Collective Bargaining Policy in the Nigerian Public Sector

Chamberlain and Kuhn (1965)'s, theory of collective bargaining provide an explanation to the process as well as the prediction of the outcomes of wage bargaining in an employment relations. Chamberlain and Kuhn (1965) viewed collective bargaining from three perspectives which represent different stages in the development of the collective bargaining process. The three perspectives are: means of contracting for the sale of labour, form of industrial government; and a system of industrial relations. These perspectives are respectively called the marketing concept, the governmental theory and the industrial management concept. Chamberlain and Kuhn (1965)'s theory of collective bargaining suggests that wage determination process should be subjected to bargaining process to benefit the industrial relations actors at the bipartite and tripartite level. But

most often, the use of this wage machinery necessitated the government to use its prerogative to amend the collective agreement to its advantage (Elegbede, Samuel, & Jamiu : 2020), which results in trade unions' reactions in the form of protests, demonstrations and strikes (Elegbede:2016, Akinwale & Elegbede : 2016). For instance, Academic Staff Unions of Universities (ASUU) was on strike for six months in 2014 over non-implementation of 2009 collective agreement. National Unions of Research Institutions (NURI) was on strike for over twelve months over non-implementation of 2008 agreement on conditions of work, remuneration and unpaid allowances (Elegbede: 2016).

Origin and Development of Industrial Relations in Nigeria

Fashoyin (1986), noted that industrial relations in Nigeria began in the public sector as a result of the near absence of a private sector organization in Nigeria. This accounted for the late development of wage employment, which came with industrialization and commercialization that started in the 1940s when they were introduced to the colonial public sector (Yesufu; 1984).

In his view, Otoibo (1986), raised four valid observations concerning origin and development of wage employment; (i) that a colonial but largely urban-based administrative framework was established in 1861 when Lagos was seized by Britain which, coupled with flourishing commercial activities, served to produce a wage employment; (ii) that the actual military conquest of Nigeria spilled over to the second decade of the twentieth century, so that an effective administrative apparatus only became operational during the 1920s and 1930s. This led the creation of a nascent national proletariat, since as many as 227,451 were reported to be employed in the public sector alone by 1936; (iii) that the late introduction of currency notes and coins as the medium of exchange, as well as the extensive use of forced labour and convict labour, meant that insufficient attention was paid to the payment of regular wages until the 1920s, when the administration's owned employees (Europeans & Africans) were sufficiently organized to press for better terms of employment; (iv) that racial discrimination and rivalry, as lopsidedly reflected in pay differentials and fringe benefits, such as orbits of coercive comparisons as African employees pushed for equal treatment.

Historical Critique of the Colonial Collective Bargaining Policy in Nigeria

Otoibo (2007) opined that the absence of wage employment and the pattern of work relations account for the late development of trade union in Nigeria, and subsequently collective bargaining. The origin of collective bargaining can be traced to the legal recognition of trade unions in 1938 in the public sector. As noted by Fashoyin (1992) that private sector companies in Nigeria were not unionized until 1946. In all, the history of collective bargaining in Nigeria can be linked with legal recognition of trade union in 1937 (Adeogun: 1987)

As opined by Fashoyin (1992), “in any event, the earliest evidence of joint negotiations or joint consultation in the country was in 1937 when the colonial government established provincial wage committees throughout the country”.

According to Adeogun (1987) the function of the wage committee was to undertake periodic wage review for daily paid employees in the public sector. The committee composed mainly of government officials (Otobo&Omole: 1987) and this made wage determination a unilateral decision (Yesufu; 1984).

In 1942 due to agitation and dissatisfaction among workers, the colonial government expanded the committee to include workers representatives(Yesufu;1984).Berg (1969), stressed that though the wage committees were mainly playing advisory roles, Fashoyin (1992), opined that the inclusion of workers representatives in the provincial wage committees could be regarded as the origin of collective bargaining in the Nigerian public sector. As Fajana (2000),observed that the provincial wage committees were used as political instruments of the contending political parties of the period(Fashoyin;1984).With the general strike of 1945 and the growing disenchantment of trade unions, it became apparent that the provincial wage committees were grossly inadequate in meeting the aspiration of workers. As noted by Fashoyin (1992), the committees were for used by dailypaid workers who represented only a small portion of the total workforce in the public service. And in the case of established staff, there was no machinery for bipartite wage determination. And for these reasons, the whitely council system which had been in used in the United Kingdom was introduced in 1948.

The recommendation for its establishment was contained in two reports by Mr. Cowan, of the British ministry of labour and national service. Basically, there were three councils catering for senior, junior staff and technical employees respectively. Each council functioned as a negotiating as well as dispute-settling machinery in the public service. Although Whitleyism was a structurally traditional bargaining machinery covering federal, state, and sometimes local government employees (Fashoyin;1992), the system failed in many government establishments (Otobo;2007).

Yesufu (1962) and Fashoyin (1992), observed that Whitleyism failed in the public sector first; because the machinery was used as consultative bodies rather than bargaining machinery. Second, there were problems of representation on union sides, indecision, red-tapism and lack of government support. Third, they were rendered useless because the decisions on wages and conditions of employment were made by semi-political wage commissions, particularly for public employees. The provincial wage committees were introduced initially to determine the rate of pay of daily-paid employees in the public sector and were generally made up of government representatives alone the scope and structure of the committees were substantially reviewed in 1942 to cover salaried employees and their representatives.

Fashoyin (1992) opined that this marked the beginning of collective bargaining in the public sector. The provincial wage committee achieved minimal success because the policy conflicted with the civil services practices and the sovereign principle. And the employee representatives on the committee made little impact on the outcome of committees' deliberations, for lack of the basic tenets of the collective relations in the public employment (Fashoyin; 1992).

The general strike of 1945, and the growing desire of the workers to participate in the determination of their conditions of employment necessitated the government to introduce the Whitley Council system in 1948. The Whitley system comprised three councils – 1, 2 and 3 respectively for senior, junior and industrial employees.

The National Public Service Negotiating Councils is subdivided into three councils.

Council I: This is used by the management (official) side represented by the Establishments Departments of the Federal and State Governments. On the workers (staff) side the Association of Senior Civil Servants of Nigeria (ASCSN) whose members are drawn from grade levels 07-14 at the Federal and State Civil Services. The ASCSN approximates the senior staff association in the private sector.

Council II: This is used by the management (official) side, this is made up as in council I above. On the staff side, two unions NCSU (Nigerian Civil Service Union) and NUCSTSAS (Nigerian Union of Civil Service Typists, Stenographic and Allied Staff) and employees drawn from the

Council III: This is used by the management side as in the foregoing councils 1&2 On the staff side are five unions namely:

- i. clerical, secretarial, executive and non-industrial cadres usually on grade levels 01-06. The Civil Service Technical Workers Union of Nigeria (CSTWUN)
- ii. Printing and Publishing Workers Union (PPWU)
- iii. National Association of Nigerian Nurses and Midwives (NANNM)
- iv. Medical and Health Workers Union
- v. Customs Excise and Immigration Staff Union (proscribed in 1988).

The functions of the councils include:

- i- Provision of the best means for utilising the ideas and experience of the staff;
- ii- Means for securing to the staff a greater share in, and responsibility for the determination and observance of the conditions under which their duties are carried out;
- iii- Determination of the general principle governing conditions of service e.g. recruitment, hours of work, promotion, discipline tenure, remuneration and superannuation.

A cursory examination of these functions suggest that they demonstrate the principle of bilateral relationship and also an indication of the commitment of the colonial government to have a constant

dialogue over employment conditions with the employees.

This is an indication of paternalistic process of government in labour relations in the public sector. But both parties according to Fashoyin (1992) misunderstood the purposes and limits of the Whitley Councils. He emphasized further on the first function of the council that, *“while any group of employees would welcome an employer that seeks its views on methods of improving management process, that does not necessary create a favourable atmosphere for labour-management relationships, more so when it is realised that the councils were empowered to discuss general principles with respect to employment issues, but no individual cases or grievances were allowed to be discussed”*.

It is very important to note that in the public sector collective bargaining decisions of the councils were to be reported to the government and thereupon shall become operative subject to the overriding authority of the head of state and subject to the approval of the legislature where necessary.

In the public sector collective bargaining process, there exists a chain of decision-making process which may originate from the negotiating table but goes on to the various governmental agencies up to the highest levels in the public authority.

The ultimate law-making authority (legislature) was often responsible for finalising the decisions of the whitley councils in most cases. Fashoyin (1982) noted that this unique method of labour management dialogue and decision-making clearly makes the outcome of negotiations completely different from the private sector. He opines further that in the private sector, the nature and scope of union-management relations were constitutionally restricted.

Fashoyin (1982) argued that two major factors inhibited the performance of the Whitley councils in the public sector. The first was the unfavourable responses of the civil servants to trade unionism and what it sought to achieve. The first and the largest union in the public sector, the Civil Service Union (CSU) was organised in 1912 mainly in response to the organization of similar bodies in other west African colonies (Yesufu;1984, Fashoyin ; 1992). As noted by Fashoyin(year) the CSU was not a protest organization for it was not founded on the basis of any felt deprivation. Indeed the employment conditions of the civil servants for the period were the best available. Furthermore, employees in the civil service enjoyed a relative security of employment over those in private sector and then compensation was in most cases , comparatively better than what obtained in the private sector

The Association of Senior Civil Servants also suffers the same fate as the CSU. The Association of Senior Civil Servants was expected to use the Whitley council 1 for collective bargaining purposes. This class of workers represents the middle level in the civil service grade and over time they move

to the highest grade. The civil servants covered by councils 1 and 2 which are mainly white collar workers see the civil service method of determining conditions of employment as a good substitute for collective bargaining. As observed by Fashoyin (1992), petitions, deputation and lobbying were preferred to negotiation.

The unfavourable legal environment and public attitude towards unions in government, especially as regards the use of strikes, were detrimental to collective bargaining. The second inhibiting factor affects the blue collar worker represented by council 3. This factor was the organizational unpreparedness of the workers' unions in the public sector which made the operation of collective bargaining to be precarious machinery. Unlike the Association of Senior Civil Servants and the CSU respectively represented by all potential middle –level and junior civil servants in the civil service, there was no solidarity among the blue collar workers.

The blue collar worker did not enjoy much of the comfort of the civil service employment. They operate in labour market which is fairly different from that of the white collar workers and because of this, they were militant and more responsive to trade unions tactics than the workers in councils 1 and 2.

As observed by Fashoyin (1992) the public sector unions up to the mid-1970s were not only proliferated into ineffective units, they lacked the resources, both financial and material , to pursue their objectives to a beneficial end.

Therefore, the union that would have used the Whitley council was structurally deficient to use it to advantage and thereby rely on government paternalistic treatment of their grievances. In this regard Fashoyin (1992) argued that many writers have demonstrated that unions in Nigeria have constantly preferred collective bargaining, according to him, this assertion only explains the true feelings of private sector unions. In the 1970s, most unions in the public sector have customarily embraced the formation of periodic semi-political wage commissions whose awards have, by and large been accepted by the unions and their members.

The third inhibiting factor was the lack of commitment to the principles upon which the Whitley council was based. The representatives of each side were inexperienced and unfamiliar with matters relating to employer-employee relations. And lastly as Fashoyin (1992), noted that the most damaging blow to the principle of collective bargaining as embodied in the Whitley council was the concomitant use of semi-political method of wage determination through special commissions or tribunals. He went further to say that the wage commission system does not bear any semblance to neither the principle of Whitleyism nor the declared official stance of the government on wage

determination through collective bargaining. It is important to note that throughout the 1970s bipartite or tripartite bargaining hardly occurs in the public sectors.

Historical Critique of the Postcolonial Collective Bargaining Policy in Nigeria

The Federal Government of Nigeria in 1973, promulgated the Trade Unions Decree which attempted to streamline the trade unions and it withdrew the Regulation Certificate of Organization from those bodies whose primary functions it did not consider to be within the ambit of trade unionism. Therefore, as observed by Aderogba (1987), there was a systematic series of regulations by the Federal Government in attempt to bring some order into management- union relationship in Nigeria. The Military Government Decree of 1973 Streamlined workers organizations into; Industrial Unions, Senior Staff Associations, and Employers Organizations and created Nigeria Labour Congress (N.L.C) as the central labour organization (Fajana, 2002: Otobo, 2002: Fashoyin, 1987: Aderogba, 1987: Adeogun, 1987). As opined by Aderogba (1987), that the Military Decree of 1973 coupled with Trade Disputes Decree of 1976 and 1978 laid the foundation of the Government posture towards collective bargaining in the post-colonial era. Despite the foundation laid by the Decree, collective bargaining machinery was hardly considered in wage determination. Throughout the 1970s under the Military Administration wages were determined through Wage Tribunal and Commissions.

However, in 1981 under the Shagari civilian administration a tripartite wage bargaining took place following the general workers strike of May 1981 organized by the NLC occasioned by the demand of the NLC for wage review. This led to the minimum wage of N125. This was followed by Damachi led tripartite minimum wage committee inaugurated by the Babangida regime on January 30, 1990; which was manipulated by President Babangida who determined the minimum wage of N250. The constitutional Government of Obasanjo like its military predecessor the Abubakar regime also avoided any tripartite collective bargaining in the fixing of the 1999 national minimum wage of N7, 500 and later the fixing of N18, 000 national minimum wage which was passed into Law in 2011 was not based on collective bargaining (Source)

The government merely consulted with officials of the NLC without carrying on board private sector employers and state governments who were to implement the wage awards at the state and local government levels. This exclusion generated serious conflicts at those levels as state governments expressed inability to pay, and consequently conceded to various shades of collective bargaining and agreements.

It should be noted that the preference of State for wage commissions was inherited from the colonial administrators. Collective bargaining in the private sector is somehow different to the process of collective bargaining in the public sector. As observed by Otobo (2007), that collective agreements are industry-based though supplemented by in-plant or domestic negotiations. In the oil and gas

sector domestic negotiation are important with Shell-BP as the pacesetter.

As Otobo(2007), noted further, employers in the oil and gas sector do compare notes on terms and conditions of employment. In the Food, Beverage and Tobacco sector, the attempt is directed more at achieving uniform rates, narrowing differences in rates and thus taking labour cost out of competition. In the oil and gas sector, there has always been tension and grievances over disparity in the private and public sector rates (Otobo, 2007). This is because within the public sector management the Nigerian National Petroleum Commission (NNPC Group) does not have the power to negotiate directly with the workers representatives.

In addition the private sector oil companies have direct control over their finances and so can negotiate and determine directly with the unions terms and conditions of employment. The major weakness of collective bargaining process in the private sector as noted by Otobo (2007) is the absence of collective agreement enforcement in a court of law given the increased incidence of abandonment of agreements by employers especially in the public sector. Since government as an employer and arbiter failed to demonstrate good industrial relations examples in the public sector by failing to honor most collective agreement, the private sector employers are increasingly following the foot step of government as an employer of labour in the country.

Within the public sector in Nigeria, collective bargaining is not an effective as machinery for wage determination, as noted by Ghosi (1989) that in the Nigerian context of industrial relations collective bargaining is a form of direct intervention. He went further to say that the Nigerian government has been directly appointing wage commissions in the determination of wages and salaries of public sector employees.

The Nigerian government as an employer has been determining public sector terms through the establishment and functioning of wages and salaries commission (Otobo;2007). It is prominent to note that there were issues and challenges unresolved that have surfaced in public sector bargaining and wage determination (Otobo, 2007).

Collective Bargaining involves the employer and its representatives on one hand, and employees and their representatives on the other (Otobo, 2013). In practice, within Nigerian public sector, employer is not immediately visible. The public service commission and the ministry of establishment, among others, have a hand in the recruitment and discipline of public servants and yet have nothing to do with day-to-day management of the main civil service and parastatals (Otobo, 2007). This constitutes hindrance to effectiveness of collective bargaining in the public sector.

As Fashoyin (1992), observed that conflict of interest occur among parties to collective bargaining in the public sector. In Yesufu's (1984) observation and Otobo's (2007), government is represented management while workers are represented by the unions. This alone is a problematic situation (Otobo, 2007). According to him no management of a ministry is empowered to negotiate terms and

conditions of employment.

As Yesufu (1984) and Ghosi (1989), observed the problem of differentiating the parties to collective bargaining became rather too cumbersome. The conditions of work as negotiated by the unions' member will affect directly the conditions of management group. Therefore, the civil servants may be bargaining against themselves in the long run. Ghosi (1989), supporting the stand of Yesufu (1984) opined that collective bargaining in the public sector lacks aggressive posturing required for effective bargaining because the top civil servants perceived themselves as the government. Therefore, the competencies of the parties to agreement reached during negotiation in the public sector become difficult to implement.

As observed by Otobo (2007) that in reality the terms of the agreement may not go directly to the government. The most senior official in the affected ministry may pass the first judgment on the terms and may decide that the issue lacks merit to justify forwarding to the government and of course no need to clear terms with the ministry of establishment or public service commission. In this regard the employer is not immediately visible in the bargaining process (Otobo; 2007), Yesufu (1984).

Critique and Conclusion

The issue being mandated for and during negotiations brings more clearly the consequences for collective bargaining (Aderogba, 1987), whether or not in the public sector of the questions employers and employees are in day-to-day relations at work (Otobo; 2007). The hierarchy of chain of decision makers and approving authorities tends to limit the mandate and empowerment of the negotiators representing the employer and subsequently result in lack of respect for the outcome of the negotiation process by the ultimate employer in the public sector.

The ultimate employer in the public sector has the right to accept, modify or even reject the terms of the agreement reached (Fashoyin, 1992). And this could undermine the goodwill and encourage the growth of distrust and adversarial relations (Otobo; 2007). In addition, the public sector employer at all level may refuse to negotiate, and when forced by circumstances or out of rational choice to do so, they resent the counter-offers and demand of the other parties, and also maintains the right to have a final say as the state/government (Otobo, 2007). However, the government derived legitimacy from doctrine of sovereignty, which rests on the idea that government represents sovereign power and as such only the government could determine the terms and conditions of employment in the public sector including wage issues (Ghosi; 1989, Fashoyin; 1992, Otobo; 2007). This was also observed in the Morgan commission (1964, para 103) *"it appears that in dealing with their employees, the government are unduly conscious of their prerogative to determine the levels of remuneration and condition of service, irrespective of their acceptability to the workers"*

For these reasons, the government usually reneges or goes back on agreement without feeling any great sense of responsibility for subsequent conflict situations or that breach of agreement is

sanctionable (Otobo, 2007).

Within the Nigerian public sector integrity issues is very critical but without cognizance. These explain why collective agreement reached is not respected especially by the Nigerian government. As Otobo (2007), noted that bargaining process is characterized by blatant disregard for agreement reached and procedures are dominated by conflicts and low trust relations between the parties to collective bargaining. In support of Otobo's (2007), stand on these issues, Aiyede (2002) and Adesola (2004), observed that public sector wages have been set through government fiat or quasi- political wages commissions or tribunals largely set up by the government. According to them, the implementation of agreement on wages, reached through the machinery for nationwide negotiation that has predominated in the public sector, has often been chaotic, attended by controversies, agitations and widespread strikes costing the country enormous resources in terms of man-days lost. Another crucial issue in the public sector wage bargaining is the deregulation of collective bargaining. In reality as noted by Otobo (2007) there has been no deregulation of collective bargaining in the public sector. No ministry or parastatal has the autonomy to negotiate binding terms with employees; for instance, the pretense of Academic Staff unions (ASUU) to negotiate with individual university councils was gravely undermined by circular to the universities authorities imposing an upper ceiling in increases of basic salaries. It was a centralized system and ASUU responded by opting to negotiate directly with the approving authority. Similarly, NNPC handed over all proceeds from sale of crude oil to the federal government and thus has no independent finances to operate in the same manner as Shell, Total or Chevron Texaco (Otobo, 2007).

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VULNERABILITY OF WOMEN AND CHILDREN IN DOMESTIC WORK IN NIGERIA: CAUSES, TRENDS, AND REMEDIES.

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ABSTRACT

This study focused attention on children involvement in domestic work and other forms of worst labour. The aim of this study is to establish from conceptual analysis and review of extant literatures the major causes of increasing women and child labour in domestic work in Nigeria. The findings from the study revealed that larger percentage of children in Nigeria involved in domestic work because of combination of economic and social problems such as internal conflicts, high rate of unemployment, poverty, rural-urban migration and political instability. This study concluded that despite government regulatory attempts to stop the menace of child labour in domestic work the problem still persist because of weak institutions in the country. This study, therefore recommends the use of social dialogue model, implementation of decent work agenda to strengthen the labour institutions in Nigeria.

Keywords: child labour, domestic work, high unemployment rate, high poverty rate, social dialogue model.

PREAMBLE

The International Labour Organization (ILO) Convention No. 189 defines domestic workers as any person engaged in domestic work in an employment relationship. However, domestic workers vary in terms of task performed and responsibilities. In a more simple term, domestic work itself can be regarded as a task performed in or for a household or households (ILO). Women and children mostly engaged in domestic work in Africa and also the most vulnerable group of domestic workers. According to Ndem, Baghebo, & Owa (2012) noted that the spectre of small children toiling long hours under dehumanizing conditions have precipitated an intense debate among scholars, policy makers and human right activists over the past two decades. In the middle of the 19th century, industrial revolution, policy

makers and the public have attempted to come to grip with the causes and consequences of child labour. However, Tambo (2014) stressed that children have always been exploited through child labour since the last two decades. According to her child domestic work carried out in Nigeria as well as in other countries in Africa, Latin America and Asia, has been given increasing attention by international policy makers and scientists. Therefore, this study will focused attention on children and women involvement in domestic work. .

Child labour is a major challenge globally but the problem is more visible in developing countries due to weak labour and children protection policies. According to ILO report (2005) Africa and China accounts for over 90 percent of total child employment with the rural areas having the highest figures. Studies by ILO (2005), Siddiqi & Patrinos (1995), and Boyden (1991) revealed that children in domestic employment are not well paid yet they engaged in domestic employment as a way to have relieve from poverty and make contributions to their household survival. Certain factors accounted for child labour participation in domestic employment in Nigeria which includes lack of access to schooling and education, poverty, unemployment, rigid traditional and cultural factors (Fajana: 2002) Similarly, there were high proportion of young females who are neither in school nor in labour force than the proportion of those for males (World Bank, 2006).

As a resultant effect lack of opportunities and skills for employment compels women to seek employment under harsh and deplorable conditions. According to the study by Johanson & Adams (2004) women face many barriers in performing at the community levels and also do not receive as much support from the spouses (Fajana, Owoyemi, Shadare, Elegbede, Gbajumo-Sheriff: 2011) as they receive from the parents, therefore they often have to sacrifice the job for the sake of family life. Moreover Johanson & Adams (2004) have demonstrated in their study that family and community centred traditional apprentices have many drawbacks including ignoring new technologies, standards, and quality. These combinations of factors increased vulnerability of women in employment especially domestic employments. Supporting the claims of Fajana et al (2011) and the views of Johanson and Adams (2004), the study by Sally (1996) revealed that women seeks jobs in domestic employment due to lack of skills and education. Their study also revealed that Children and Women are exposed to hazard domestic violence, sexual harassment and exploitation in domestic employment

Methodology

The study is a conceptual analysis of issues surrounding children involvement in domestic work in Nigeria and remedies to the challenges confronting domestic work in the Country. In conceptual paper, arguments are not derived from data in the traditional sense but relied on evidence in the form of previous developed concept and theories though not without empirical insights but build majorly

on the theories and concepts that are developed and tested through empirical research (Hirschheim, 2008)

Therefore, the study relied heavily on extant literatures that covered domestic work, child labour, unemployment, employment regulations in Nigeria, decent work agenda. Employment relations theories were employed to explain the nature of contract and relationship between domestic employers and workers. Conceptual model was derived from the theoretical analysis and the conceptual analysis of literature literature to explain the courses and problems associated with children and women participation in domestic employment. The study also makes references to secondary data and social statistics collected from the International Labour Organization (ILO) and Nigeria Bureau of Statistics (NBS).

Theoretical Framework

Transactional Leadership Theory by Bass (1997)

Transactional Leadership is placed emphasis on the transactions between leader and followers towards achieving organizational goals and objectives. The fundamental principle of transactional leadership theory is based on the fact that human relations are chain of transactions between leaders and followers.

Transactional Leadership theory focuses on the role of supervision, organization, and group performance and by doing the transactional leadership is a style of leadership in which the leader emphasizes compliance of his followers through both rewards and punishments. Transactional leadership can better be explained through the lower-level needs of Maslow needs theory and the X factors of McGregor theory.

Transactional leaders use reward and punishments to gain compliance from their followers. They are extrinsic motivators that bring minimal compliance from followers. They accept goals, structure, and the culture of the existing organization. Transactional leaders tend to be directive and action-oriented (James & Ogbonna, 2013). Domestic employers especially in Sub-Sahara Africa Countries tends to relied heavily either consciously or unconsciously on reward and punishment approaches to motivate their domestic employees to work and increase performance.

Conceptual Analysis

In this section this study examined from conceptual analysis history and trends of women and children participation in domestic employment, reasons for women and children participation in domestic employment, effect of domestic work on children and women.

History and Trends in Nigeria

Domestic work is one of the oldest occupations in the world because it involves tasks that have been traditionally assigned and performed by women and children in most societies without compensation. For instance, tasks such as cooking, cleaning, caregiver for children, disabled and elderly, are regarded as domestic responsibility of women especially in most African societies cooking, cleaning and caregiver were believed to be the traditional responsibilities of women without any form of compensation, and failure to carry out those tasks may be sanctioned through divorce for married women and other forms of punishment for unmarried women such as smacking.

In most African societies, for instance among the Yoruba and Igbo, young unmarried girls are usually tutored in the act of cleaning and cooking as fundamental qualities to attract and secure a potential spouse. However, domestic work was also common among men in most African societies, for instance tasks such as Gardening, Chauffeuring, and security services with little or no compensation. However, in most African societies non-payment of compensation to female and child domestic workers was premised on the fact that it is a training process for them as a means to secure a potential spouse. The child domestic workers are usually recruited from the extended family such as cousin, nephew, friends and other relatives who may likely be an orphan or their parents appear to lack the financial means for their welfare and education. This practice is socially accepted among some communities in Nigeria under the guise of child fostering. However, according to Olateru-Olagbegi & Ikpeme (2018) the age-old form of internal trafficking is usually confused with the traditional practice of child fostering within the extended family. Such children are no longer cared for but rather exploited through placement in different forms of labour such as hawking and sometimes begging. They stated further that parents and guardians (mostly in the rural communities) now give away children to non-relatives for labour in exchange for money.

Historically, domestic work is perceived as part of moral upbringing and tutoring for children especially female child while payment of wage to those that perform such domestic work is considered unnecessary. Also within some cultural context in some African societies domestic work is perceived as part of good parentage, and any person that displays excellent performance of such act of domestic work such as house cleaning, cooking, child caring appears to have a good parentage.

However, domestic work became prominent in Nigeria during the colonial era when African natives were employed by the colonial officers as domestic staff, tour guide and local interpreter (George: 2011; Elegbede, 2016). The colonialist introduced wage payment to domestic staff but with the perception that African workers have a backward sloping supply curve, therefore, wages paid to domestic workers are kept low to ensure continuous supply of hours of work by the domestic staff (Otobo, 1997; Elegbede, 2016).

The culture of payment of low wages to domestic workers in Nigeria and in most part of Africa societies persisted from the colonial era till date (Fajana, 2000), and most of the children in domestic works are either forced or by trafficking children from rural eras to urban cities in Nigeria, and also from neighbouring Africa countries such as Republic of Benin and Togo (Aransiola, 2013).

According to the study conducted by Aransiola (2013)), it was found that children from rural communities in Cross-Rivers, Akwa-Ibom Benue, Ebonyi, Kwara, Bayelsa, Imo and Anambra States; Shaki in Oyo State, border villages in Ogun State were trafficked for domestic service to the urban or city centres such as Lagos, Kano, Port Harcourt, Ibadan and Kaduna. Similarly, ILO estimates(2007) African ranks highest both in the percentage of children in child labour and absolute number of children in child labour and majority are employed in hazardous work and domestic work without any form of regulations or lack of effective implementation of regulations.

The ILO (2007) regional grouping with comparable estimates for 2012, shows that Africa is falling further behind the rest of the world. Sub-Saharan Africa witnessed a rise in child labour during the 2012 to 2016 period in contrast to the other major regions where child labour continued to decline. Therefore, this study tends to provide conceptual explanation to the problems associated with domestic works in Nigeria with the view to suggest remedies through decent work agenda of the ILO. This study tends to focus on children as the components of domestic staff because they are most vulnerable in domestic work.

4.2 Reasons for Increased Number of participants in Domestic Work in Nigeria

Despite the vices and ill-treatment of domestic workers in Nigeria majority of people involved especially adult female and children engaged in domestic works because of high poverty rate, unemployment, war and conflicts especially in the north east region of Nigeria. In most society in the Sub-Saharan African Countries many factors push children out of their homes in the view of Oloko (1999) the factors which push children out of their homes vary from physical maltreatment and emotional problems. While Le Roux (1993) concluded in his study that to be sent out of the home because of misdemeanours or family breakup and financial problems. Similarly, Keen (1990) noted that increase migration to urban areas with associated problems like overcrowding, high unemployment, poverty, family dispersal and the impacts of HIV/AIDS have also contributed to increase in the number of street children in the recent times

4.3 High Poverty Rate as a major cause of participation in Domestic Work in Nigeria

The ILO reports on poverty rate in Africa (2013) revealed Child Labour is one of the multiple faces of poverty in Africa. The ILO report estimated that 16 million African children are active in labour market, and most of the children are driven into labour market by poverty. Supporting the ILO data on poverty rate in Nigeria, the National Bureau of Statistics (NBS) report on poverty rate in Nigeria

revealed that poverty rate in the rural areas is 69 per cent. The high rate of poverty in the rural areas accounts for the involvement of children in domestic work in the urban cities like Lagos, Kano, Ibadan, and Port-Harcourt. Some of the children are sent into domestic work by their parents while others and young women perceived domestic work as an escape from poverty and therefore ran away from home.

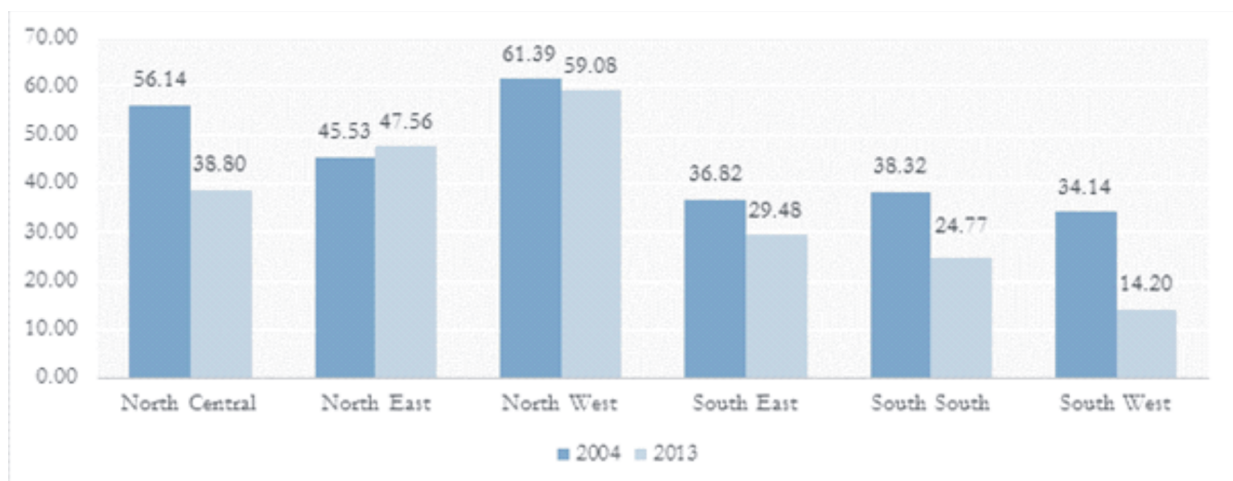
Inequality in terms of income and opportunities has been growing rapidly, and has adversely effect on poverty reduction (World Bank, 2017). According to World Bank report (2017) Nigeria suffers from severe subnational disparities especially in the North Eastern part of the country compare with other part of the county especially Southern part of the country.

The inaccessibility to quality education, healthcare, and other basic infrastructure in North Eastern part of Nigeria caused exodus of youths to abandoned farming and opted for domestic work mostly as security men and gardeners. However, there is substantial poverty reduction by 6 million in Southern part of Nigeria (except for South East) while poverty increase substantially by 7 million in the North (World Bank, 2017). The report further stated that the number of poor residing in the North East and North West is 29 million in 2004 , and increased to 37 million in 2013 resulting from the conflict in that areas.

This account for large number of Nigeria's population living in poverty without adequate access to basic services, and could benefit from inclusive development policies. Therefore, most parents engaged their children in domestic work as a way to ameliorate their living conditions. In most rural areas in Nigeria, absence of employment opportunities contributed massively to the rate of poverty, inequality, social and political unrest (World Bank, 2017)

Figure 1 – Poverty Reduction in Nigeria in the Last Decade

Figure 1. Poverty Incidence by Region in Nigeria



Source: World Bank. 2016. *Poverty Reduction in Nigeria in the Last Decade*.

1.1 Unemployment

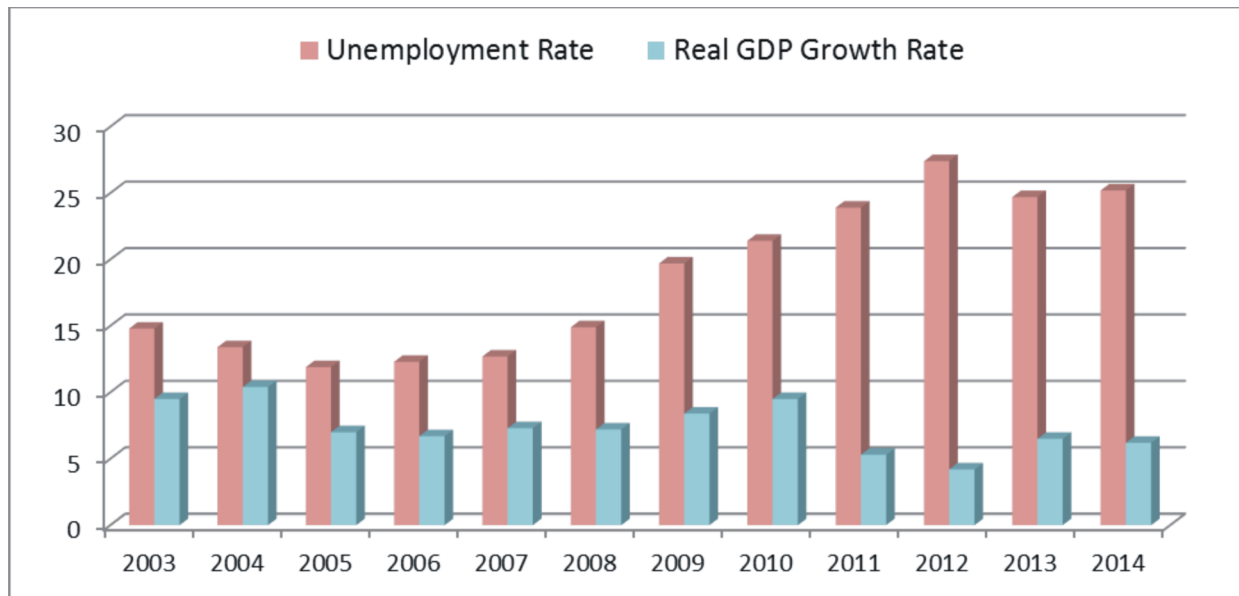
Unemployment rate in Nigeria is on the alarming rate causing massive rural-urban migration (Shadare&Elegbede, 2012). The unemployment rate in Nigeria increased from 16.20 in the second quarter of 2017 to a disturbing rate of 18.80 in the third quarter of the same year (NBS). This sharp increase alone caused more people moving to the cities in search of employment opportunities which are not readily available (Fajana, 2002). However, absence of employment opportunity in the rural areas of some neighbouring states caused migration to neighbouring cities. For instances there is high rural-urban migration to Lagos from Ogun, Oyo, Osun, Ekiti, Ondo, Edo, and Kwara. This rural –urban migration precipitate people to take up domestic work because most of the rural migrants lacks necessary qualifications and skills to gain employment in the formal sector , and also employment opportunity in the cities is not adequate to accommodate cities dwellers and the rural migrants (Fajana, 2000). Women and children are more vulnerable in this situation because some parents willingly offered their children to work in domestic capacity while some young adult preferred domestic work to prostitution.

Table 1 – Unemployment Rate and real GDP Growth Rate

YEAR	Unemployment Rate	Real GDP Growth Rate
2003	14.8	9.5
2004	13.4	10.4
2005	11.9	7
2006	12.3	6.7
2007	12.7	7.3
2008	14.9	7.2
2009	19.7	8.4
2010	21.4	9.5
2011	23.9	5.3
2012	27.4	4.2
2013	24.7	6.5
2014	25.2	6.2
Average	18.5	7.4

Source : Nigerian Bureau of Statistics, 2016

Figure 2- Unemployment and Real GDP Growth Rate



Source: Nigeria Bureau of Statistics

4.1 Internal Conflicts

Conflict and insecurity pose a great threat to regular economic activities because it usually forced larger per cent of children and women to fled rural areas and seek abode in the urban centres. In the oil rich Niger Delta of Nigeria there has been crisis between government and some aggrieved militant (Ihayere, Ogeleka, &Ataine, 2014).

The conflicts between Militants and government forces has been causing migration of people from the affected areas to Neighboring cities such as Portharcourt . Similarly, tribal and ethnic conflicts between Ijaw and Issekiri in Delta and Ondo States prompted migration of people to the urban centres. Many people fled these areas to neighbouring town and cities while those mostly affected are women and children. These vulnerable women and children are forced by the conditions and realities of the urban centres to take up domestic work especially in homes of middle and upper classes as cook, laundry men, and cleaners.

Similarly, the North East of Nigeria has been affected by the Boko Haram conflict and the resulting military operations, affecting the lives of over 15million people (WorldBank, 2017). The conflict situation in the North East seems to have make women to become the target of violence during the conflict. The vulnerability of women during conflicts makes them to become victims of sexual and gender-based violence and abduction causing women in the North East to have been disproportionately affected by forced displacement. The Boko Haram conflict in the North East has

further caused separation of families because most of the casualties are predominantly young men, women and children. All these interrelated problems in the North East of Nigeria forced children, women, and young men to migrate to cities such as Kano, Kaduna, and Lagos to take up domestic work for survival.

5. Effect of Domestic Work on children and women in Nigeria

Children in Nigeria are engaged in the worst forms of child labour, particularly in domestic service and dangerous agricultural activities. In rural areas, most children work in agriculture, producing crops, such as cassava and cocoa. Although evidence is limited, there are reports that children also produce tobacco. Children working in agriculture may step on sharp objects, wound their hands and legs, and suffer from insect stings. In particular, children engaged in work on cocoa plantations are exposed to pesticides, apply chemical fertilizers without protective gear, and sometimes work under conditions of forced labour. Children, primarily boys, work in cattle herding. Children engaged in herding livestock may suffer injuries, such as being bitten, head butted, gored, or trampled by animals.

In urban areas, many children work as domestic servants. Children employed as domestic servants are isolated in private homes and are susceptible to physical and sexual abuse (Agbo; 2017), and an extreme form of forced labour (David; 2009). Children employed as domestic worker may also be required to work long hours and perform strenuous tasks without sufficient food or shelter. Both boys and girls engage in street-hawking, sometimes dropping out of school to work. Increasing numbers of children also engage in begging. Commercial sexual exploitation of children, especially girls, also occurs in some Nigerian port cities and refugee camps.

In northern Nigeria, many families send children, known as almajiri, from rural to urban areas to live with and receive a Koranic education from Islamic teachers. Some of these children receive lessons, but teachers often force them to beg on the streets and surrender the money that they collect; these children may go without adequate food or shelter. Although evidence remains limited, information indicates that some almajiri in Nigeria may undergo deliberate scarring or injuries to arouse sympathy and thus encourage donations. In December 2010, the Ministerial Committee on Madrasah Education estimated that Nigeria has about 9.5 million almajiri. Nigeria is a source, transit, and destination country for child trafficking. Children in Nigeria are trafficked internally to work in domestic service, agriculture, street peddling, and begging. Children are also trafficked from Nigeria to work in the worst forms of child labour in Equatorial Guinea, Sierra Leone, and Saudi Arabia. There are reports of Nigerian girls being trafficked to Italy for commercial sexual exploitation.

Children from Benin, Ghana, and Togo are trafficked to Nigeria, where many are forced to work in granite mines. Some children from the Central African Republic (CAR) are trafficked back and forth

between CAR and Nigeria for forced labour and commercial sexual exploitation Boys from Niger are subjected to forced begging and forced labour in Nigeria.

Discussion and Conclusion

In recent times and also in the past Nigeria society especially in the rural areas are characterised with the worst forms of child labour leading to several assaults and abuse. The major causes of these children involvement in domestic work and worst forms of child labour can be explain by combinations of economic and social problems such as high rate of poverty, unemployment , internal crisis and conflicts especially in the Niger Delta areas and in the North East. The combinations of these economic and social problems tends to influence children involvement in domestic work and worst forms of child labour , child trafficking , prostitution among teenage girls and children, sexual assault and harassment, rape of young boys and girls. However, Nigeria governments especially at the federal and state levels have put in place several laws and regulations to protect children against hardship and violence. These regulations by the Nigerian government are not effective because of weak institutions in the country. Most offenders of child labour were not prosecuted while most cases of assault were not reported due to fear and family reasons.

6. Recommendation

Children involvement in domestic work is a great social and economic threat in Nigeria which denied children access to quality education and it is associated with menace such as rape, sexual assault, accidents and death of greater percentage of children involve in domestic work. This study recommends the following to eliminate the social problems created by children involvement in domestic work:

- Institutionalization of social dialogue model to eliminate the combination of economic and social problems that account for child labour.
- Government at all level should promote decent work agenda and social protection especially for children and women.
- Strengthening of social institutions through legal regulations to arrest and prosecute offenders and to provide protection for children against abuse and violence.

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STRATEGIC PLANNING AND QUALITY SERVICE DELIVERY IN NIGERIAN RAILWAY CORPORATION (2015 -2020)

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ABSTRACT

Strategic planning is imperative for continuation of efficient railway administration in a complex and challenging environment. The underlying supposition guiding research and much practice is that strategic planning by Nigerian Railway Corporation will contribute to improved quality service delivery. This paper attempts to analyze the implementation challenges of strategic planning and quality service delivery in Nigerian Railway Corporation. A descriptive survey design was adopted for this study and data were obtained through primary and secondary data sources; while personal interview and questionnaire served as instrument for data collection. Socio-Technical System theory was adopted as theoretical framework of analysis. The finding of the study hinged on implementation of strategic planning in NRC is affected by such challenges as government interference with management structure of the corporation, lack of fund to execute strategic plans, poor planning and lack of understanding of the strategic processes. The study among others recommended that efforts must be made by the corporation to sensitize non managerial employees in both the process of formulation and implementation of a strategic plan.

Keywords: Strategy, Planning, Service Delivery, Innovation, Public Corporation

INTRODUCTION

Globally, transportation of people, goods and services is an imperative aspect of development objective for governments. The high rate of insecurity, kidnapping and armed banditry on the highway, alongside other problems of environmental pollution and transportation accidents calls for policy makers to seek out alternatives. In developed countries, there are active railway transport and less reliance on the use of private cars. For instance, in the United Kingdom (UK), the Essex and Southend-on-Sea Joint Replacement Structure Plan, stipulates a transport objective to foster alternative means of movement with lesser environmental impact; and reduce undue reliance on the private car and road haulage (Essex Railway Policy, 2017). Generally, rail transport system in Europe

possesses such attribute as diversity in technical and infrastructural settings. Specifically, rail networks in Western and Central Europe are habitually in good condition, developed, properly maintained, and with less infrastructure challenges. More so, cross-border operations are easier with the rail networks available across Europe; with a clear split of infrastructure, passenger and freight operations among national railway companies and separate divisions or private companies.

Conversely, rail transport system in developing countries is typically in poor condition and the least developed system. In Nigeria, the paradox in the rail transport sector arose for the most part after the oil boom in the 1970s when the railway system rather than improving with increased national earnings, started declining. Nevertheless, with rising fuel costs, swelling population as well as rural-urban migration figures and deplorable road conditions revealed a major flaw in the development rationale that Nigeria adopted for her transport system.

Beyond that, developing countries such as Nigeria have efforts targeted at reviving the comatose railway transportation system through strategic planning which has given birth to public-private sector initiative and collaborative efforts with foreign investors. Responding to the malfunction of the system, the Nigerian Government adopted a twenty five strategic plan with efficient railway transportation system being the pinnacle concern. Strategic planning thus, is an important factor for the continuation of railway administration in this complex and challenging environment, especially with regard to NRC seeking excellence through continuous work to improve quality service delivery, improving better customer relations, and developing new services.

Consequently, Nigerian Railway Corporation (NRC) charged with the responsibility of managing railway transport in the country is faced with inherent inefficiencies in effective service delivery. Among challenges affecting service delivery in the corporation include excessive **government interference with the management structure, poor funding for railway projects, poor planning and lack of understanding of the strategic processes for railway development. This necessitates a need to adopt strategic management practice that support plans and decisions that will lead to accomplishment within a dynamic environment.**

Regrettably, the empirical research on public sector strategic planning generally, and particularly its nexus with implementation process, is surprisingly skeletal, given how widespread the use of strategic planning is (Bryson, Berry, & Yang, [2010](#); Poister, Pitts, & Edwards, [2010](#); George & Desmidt, [2014](#)). Due to the insufficient empirical studies that highlighted the implementation of strategic planning and enhancing quality service delivery in NRC, this study seek to fill this gap aptly.

It is within this context that this paper attempts to analyze the implementation challenges of strategic planning in ensuring quality service delivery in Nigerian Railway Corporation. Three questions guiding the study are; first, what is the relationship between strategic planning and quality service

delivery in NRC? Secondly, to what extent can the implementation of strategic planning improve quality service delivery in NRC? Thirdly, what are the challenges affecting strategic planning implementation in NRC? Based on the formulated questions, three hypotheses were formulated and tested for the purpose of this study.

Conceptualization of Strategic Planning

According to Ikotun, Ogbechi & Adigun (2018), strategic planning therefore is part of the modern management tools not only for dealing with the inevitable certainty in the management of environment, but also for enhancing organizational performance and sustainability. Posch & Garaus (2019) stated that strategic planning has a role in enhancing innovation, motivation, increasing internal communication, stimulating new ideas, generating information, evaluating the environment of the organization and ensuring comprehensive consideration of all suitable options.

Strategic planning is an organizational management activity utilized in order to establish priorities, channel resources appropriately, foster operations, ensure that employees and every relevant stakeholder is working toward attainment of common goals, and adjust the organization's direction in response to ever changing environment. It is a closely controlled effort that generates fundamental decisions and actions that shape and guide an organization with a focus on the future. Thus, effective strategic planning articulates not only where an organization is headed and the actions needed to make progress, but also ascertains how it will know if it is successful. For the reason that planning must attend to context in order to be strategic, approaches to strategic planning may be represented as *generic* in form but in practice are likely to be highly *contingent* (Ferlie & Ongaro, 2015). Generic approaches to strategic planning may emphasize process or content. A key contingency is whether the approach is being applied at the organizational or subunit level, to a boundary-crossing function or collaboration, or to a community or place.

Ali & Al-Jaradi (2016) defined Strategic planning as a long-term planning that considers internal and external variables and identifies the targeted market segments and the competition methods. Strategic planning is carried out in several stages, starting with analyzing internal and external environment, including strengths, weaknesses, opportunities and threats analysis, followed by strategy formulation, then implementation of strategy and finally evaluation of strategy (Nzewi & Ojiagu, 2015). Strategic planning is one of the most important tools of management that helps organizations to deal with various changing aspects in the environment to confront competitors and gain a competitive advantage (Aldehayyat, 2011).

Strategic planning considers a number of vital issues; for instance, the rationale as to why the business exists, its mission and vision, and the objectives the organization desires to attain and along what timeline. It also takes into account what business it needs to do so as to attain the set objectives and ways to carry it out. Strategic planning assists the organization plan for the future with an

awareness of the end result. It works just like a route-finder for the organization. All business, despite its size, requires a consciousness of its environment if the business intends to continue to subsist. Strategic planning makes possible the awareness of a business environment via the analysis of the whole business strength, weaknesses, opportunity and threats (SWOT) and also possible future uncertainty.

In the public sector, strategic planning involves diverse activities, such as identifying goals and objectives, setting tasks and activities, identifying main issues, setting strategies and procedures for each specific issue, building teams, controlling results and evaluating alternatives (Bryson, 2018; Kemp, 2018; Salkic, 2014).

Quality Service Delivery

Researchers have tried to conceptualize quality service delivery from different perspectives for different service applications. Service delivery denotes a system supplying a public need such as transport, communications, or utilities such as electricity and water. Afeez, (2020) defined service delivery as the extent to which the services provided by the listed sectors meet or exceed the expectation of the beneficiaries (general public).

In this study, the concern is the service being provided by the public sector organizations; this is because Public sector organizations are responsible and accountable to the citizens and communities of their countries. Globally, public sector organizations are responsible for providing essential goods and services for the benefit of the citizens of their countries. The services sector is an indispensable player of most contemporary economies (Amanfi, 2012)

According to Oronsanye (2010), public service delivery can be defined as “the process of meeting the needs of citizens through prompt and efficient procedures.” The implication is that the interaction between government and citizens are such that the needs of the citizens are met in a timely manner, thereby making the citizens key in public service delivery. Note worthy to state that as the private sector considers its customer as 'king', thereby ensuring quality service delivery, the public should be regarded as the 'master' and beneficiary of enhanced performance of the public service (Aladegbola & Jaiyeola, 2016). Quality service delivery can be seen as one of the core responsibilities for the establishment of public corporations. It is identified as “one of the key functions of the public sector” (Mitel, 2007).

Ogunna (2004) reiterates that the desire to satisfy the public through the implementation of public policies, enforcement of laws, and realization of public welfare culminates in effective public service delivery. Public service delivery becomes so dominant because it represents the fundamental structure of nation-building, it serves as a tangible link between government and citizens, and it also promotes the values of nations to the citizens and finally serves as a bond between the state and citizens (Walle and Scott 2009).

Okafor, Fatile & Ejalonibu (2014) comprehend public service delivery as “the result of the intentions, decision of government and government institutions, and the actions undertaken and decision made by people employed in government institutions.” They opine that it is “the provision of public goods or social (education, health), economic (grants) or infrastructural (water, electricity) services to those who need (or demand) them”. Emphasizing the opinion above, Ohemeng (2010) sees public service delivery from the light of its key features as “doing more with less, empowering citizens, enhancing transparency and holding public servants accountable.”

Strategy Planning in the Public Sector

Strategic planning can be part of the broader practice of strategic management that associates planning with implementation (Poister, Pitts, & Edwards, [2010](#); Talbot, [2010](#)). It is applicable to organizations, collaborations, functions (e.g., transportation, education or health) and places ranging from local to national and international (Albrechts & Balducci, [2013](#)).

The ancestry of public-sector strategic planning is initially typically military and tied to statecraft (Freedman, [2013](#)). Evolving in the 1960s, nevertheless, most of the growth of the concepts, procedures, tools and practices of strategic planning has predominantly occurred in the for-profit sector.

Wilson (2004) stated that strategic planning is a process of developing a long-term plan to guide an organization (for example, a state agency, department or commission) towards a clearly articulated mission, goals and objectives. It is a process of assessing the current position of an organization, ascertaining the challenges and examining available opportunities and determining best desirable destination and how to get there.

In addition, Bryson (2017) asserted that *approaches* to strategic planning vary in their purposes; formality; temporal horizon; comprehensiveness; organizational, inter-organizational and/or geographic focus; emphasis on data and analysis; extent of engagement; scope of decision-making; connection to implementation; etc. Successful use of strategic planning is thus dependent on which approach is used, for what purposes, and in what context (Bryson, Berry, & Yang, [2010](#); Ferlie & Ongaro, 2015).

According to Young (2003), the literature in addition suggests that states benefit from the strategic planning process mainly for the reason that the development of multi-year policy plans connects current situations with a more consequential vision of the future. That is to say, that a strategic planning process enables, for instance, the governor and the legislature, to understand clearly where their state is now and where they would like it to be in the future. A strategic plan would indicate to leaders in a state – more lucidly – what state governments' (or more particularly a corporation) overall mission, goals and objectives are, its strategic or programmatic activities, and its resources (people, monies, technologies and facilities). This process would further permit state officials to

have a solid grip of the state's on-going performance and what results are being attained.

More purposely, the benefits of a state-wide strategic planning process includes but not limited to: the establishment of a long-range, unified and broad direction (a plan); the allocation of limited resources, via the state's budgetary process, in a more rational, and “results-oriented” manner; the measurement of the progress of state-wide strategic efforts, by all planning participants, and the updating or revision of these efforts as warranted

Developing the strategic planning process is debatably the most important step in any organizations. As hinted by Bryson (2011) the chief aim here is getting key organizational decision makers and other appropriate stakeholders to agree that strategic planning is needed and desirable and that all participants are on board, committed and supportive of the planning process and its various sequence of steps.

Strategic Planning implementation and Quality Service Delivery

The relationship between strategic planning and quality service delivery is such that the apt adoption of the former leads to the later. Owing to the attributes of strategic planning, the attainment of quality service delivery is obtainable. Various scholars have highlighted the role of strategic planning in ensuring quality service in organizations. Cunningham and Karakasidou (2012) put forward a number of varying purposes of strategic planning to organizations to include that strategy serves as a blueprint that enables businesses to maximize the choices they have to make, as it makes room for the scrutiny of a good array of alternatives and a holistic awareness of what the business is doing (and hopes to do in the future). This is in line with Kaufman (2016) who pointed to some benefits of strategic planning to include enabling any businesses to actualize future plans through the establishment of direction using the intrinsic features of strategic planning that facilitates the establishment of direction. It also helps firms in arriving at the best decisions making process in order to boost profit, market share, and growth and the sustained longevity for the business (Melero, 2018). Lankeu & Maket (2012) consider that strategic human resource management will assist implementation of strategic planning through measures such as devolved structures, reduced bureaucracy, staff empowerment, proper human resources planning, management development, creating high performance workplaces, and strategies for service delivery in a systematic way. Wandjiva (2011) concludes that those responsible for the implementation of the programmes emanating from the planning process know what a strategic plan is but do not know the content of the strategic plan. He further concludes that less effort is made by the organization to sensitize junior staff members in the process of formulation and implementation of the strategic plan, especially employees at lower levels, and this eventually discourages them from making a positive contribution towards the attainment of departmental goals. In their study, it was also concluded that, for any

organization to succeed in the execution of its mandate, it needs to have a strategy that serves as a roadmap toward the realization of its objectives. The strategy must also be effectively communicated and explained to all staff members in the organization in order to achieve desired quality service delivery.

Mukholi, Okello, & Mukanzi (2019) in a study *assessed the influence of strategic planning on effective service delivery in County Government of Bungoma, Kenya; using descriptive and correlation research design*. The findings of the study resulted in an understanding that strategic planning has influence on effective service delivery. Thus, organizations need to enhance and manage their strategic planning for them to survive.

Jooste & Fourie (2009) claim that strategic leadership is perceived as the most important driver of strategy implementation that contributes positively to the efficient implementation of a strategy and service delivery in an organization. They argue that strategy formulation is an effort of documentation; however, strategy implementation is the key to increasing organizational performance, and it is more important.

Implementation Challenges of Strategic Planning in Public Sector

The Nigerian bureaucracy is beset with some problems that have hampered its effective public service delivery. These have limited the scope, speed, and quality of service rendered through innovative ideas. As observed by Maduabum (2014), the tendency to resist innovative ideas is higher in the public service. This is because there is a tendency for senior officers to capitalize on the ills of bureaucracy to prevent the implementation of innovative ideas particularly, where such ideas emanate from subordinate civil servants (Maduabum, 2014). Recklies (2008) opined that management is focused on a top-down approach wherein the organization needs to prepare all role players such as senior managers, planners and decision makers. He further explains that the communication or conversation style in an organization has an impact on the strategic plan and its implementation. Sebola & Mahlatji (2015) in their study found out that poor planning, lack of understanding of the strategic processes, as well as poor coordination of strategic plans is a problem encountered in the Limpopo Economic Development; Environment and Tourism (LEDET). The foremost problem with strategic planning is the failure to implement, and organizations fail to acknowledge this during strategy formulation but only to realize in the implementation stage. It is imperative to understand what makes strategy implementation unsuccessful.

According to Musyoka (2011), strategy implementation is largely an internal administrative activity. It entails working through others, organizing, motivating, culture building and creating strong links between strategy and how the organization operates. It also entails a process of converting the formulated strategies into viable operations that will yield the organization's targeted results.

Musyoka believes that to implement successful strategies, there is a need to link strategic planning and implementation, and anticipate the challenges from sources both internal and external to the organization. It is also important to link strategy planning and implementation, coupled with communicating the strategy and allocation of resources, to the plan. He further argues that the particular challenges that face strategy implementation depend on the type of strategy, type of organization and prevailing circumstances. He also indicates that the challenges in strategy implementation can be avoided if strategy development is coupled with implementation. The lack of understanding of a strategy and the inability to connect strategy formulation and implementation has an impact on successful implementation. A key challenge that was outlined was that it emanated from the operating environmental changes that pose a threat to the effective implementation of the strategy. Fuller (2004) indicate the basic causes of human problems in planning systems as the disruption of social and political structures in the organization, failure to match individual's aptitudes with assigned planning tasks, and inadequate executive support for strategic planning.

Olaopa (2014) identified inadequate funds allocated to the innovation initiatives, difficulty associated with streamlining various projects already existing or being implemented, perceived lack of value for money when the huge cost of deploying innovation projects is compared to the actual value to the people, false sense of transparency as some of the challenges to innovation in Nigeria.

Theoretical Framework - Systems Approach to Management

The systems **approach to management** is adopted as a theoretical framework of analysis for the purpose of this study. In order to understand the theory, it is imperative to gain understanding of a system. A **system** therefore is any set of distinct parts that interact to form a complex whole and each part is distinctive in nature but interacts with each other. An organization is an example of a system with parts such as employees, assets, products, resources, and information that form a complex system. Systems can be open or closed. A **closed system** does not receive impact from its environment; while an **open system** is a system that is affected by activities of its environment. An organization receives resources such as equipment, natural resources, and the work of employees, referred to as **inputs**. The inputs are transformed, called **throughputs**, and then yield products or services known as **outputs**. Outputs are released finally into the environment.

Consequently, the Systems Approach to management theory, generally believed to be the foundation of any organizational development, views the organization as an open system made up of inter-related and inter-dependent parts that interact as sub-systems. Accordingly, the organization consists of a fused singular system made up of these subsystems. For instance, an organization is a system that may be composed of sub-systems such as production, marketing, finance, accounting, administration, and etc. As such, the various sub-systems should be studied in their inter-

Data Presentation, Analyses and Interpretation of Findings

Table 1: Strategic planning has effect on quality service delivery in NRC

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	9	7.8	7.8	7.8
	Disagree	14	12.2	12.2	20.0
	Agree	24	20.9	20.9	40.9
	Strongly Agree	68	59.1	59.1	100.0
	Total	115	100.0	100.0	

Source: Field Survey, 2021

Table 1 above depicts that 7.8% and 12.2% of the respondents strongly disagreed and disagreed respectively that strategic planning has effect on quality service delivery in NRC, while 20.9% and 59.1% of the respondents agreed and strongly agreed respectively. Majority of the commuters interviewed stated that there is evidence of positive effect of strategic planning on quality service delivery in NRC.

Table 2: Strategic planning has aided the improvement of quality service delivery in terms of punctuality on train departures, ensuring health and safety control and boarding tickets at reduced cost for commuters at the train station

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	7	6.1	6.1	6.1
	Disagree	11	9.6	9.6	15.7
	Undecided	6	5.2	5.2	20.9
	Agree	31	27.0	27.0	47.8
	Strongly Agree	60	52.2	52.2	100.0
	Total	115	100.0	100.0	

Source: Field Survey, 2021

Table 2 depicts that 6.1% and 9.6% of the respondents strongly disagreed and disagreed respectively that strategic planning has aided the improvement of quality service delivery in terms of punctuality on departures, health and safety control at the Abuja train station, while 5.2% of the respondents were undecided; 27% and 52% of the respondents agreed and strongly agreed respectively. It is pivotal to note that the commuters expressed dissatisfaction with the standard of health and safety control measures at the train station. They stated that there is no strict adherence to social distancing (owing to covid-19) on board the train and there is not enough security personnel on board the train. Again they lamented on the excessive charges for train tickets, and stated that the new electronic payment system increased the boarding cost.

Table 3: Strategic planning has enhanced proper human resources planning, empowerment of staff, management development and reduced bureaucracy in NRC

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	26	22.6	22.6	22.6
	Agree	36	31.3	31.3	53.9
	Strongly Agree	53	46.1	46.1	100.0
	Total	115	100.0	100.0	

Source: Field Survey, 2021

Table 3 depicts that 22.6% of the respondents disagreed that Strategic planning has enhanced proper human resources planning, reduced bureaucracy, empowerment of staff, and management development in NRC; while 31.3% and 46.1% of the respondents agreed and strongly agreed respectively. The commuters in an interview stated that they witnessed reduction in bureaucracy in NRC; however, adequate staff empowerment is lacking and proper management development is required.

Table 4: Implementation challenges of strategic planning in NRC include government interference with management structure, poor funding, poor planning and lack of understanding of the strategic processes.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	4.3	4.3	4.3
	Disagree	11	9.6	9.6	13.9
	Agree	23	20.0	20.0	33.9
	Strongly Agree	76	66.1	66.1	100.0
	Total	115	100.0	100.0	

Source: Field survey, 2021

In Table 4 as shown above; 4.3% and 9.6% of the respondents strongly disagreed and disagreed respectively to the statement that implementation challenges of strategic planning in NRC include government interference with management structure, poor funding, worn-out infrastructure and lack of maintenance of available amenities. While 20% and 66.1 % agreed and strongly agreed to the statement. Analysis of the interview revealed that poor information technological (IT) infrastructure and lack of involvement of non managerial employees in the corporation impedes the implementation of strategic planning in NRC.

Test of Hypotheses

The hypotheses tested with specific ratio analysis, correlation analysis with a value of 0.05 level of significance corresponding with 95% confidence level. All the tables presented are processed using Statistical Package for Social Sciences (SPSS v26) analysis outputs.

Hypothesis Test One

Ho: There is no relationship between strategic planning and quality service delivery in NRC

Variables	N	Df	Pearson Correlation Coefficient	Sig.	Decision
Strategic planning and quality service delivery in NRC	115	99	.709**	.000	Rejected

**Correlation is significant at the 0.01 and 0.05 level (2-tailed).SPSS v26 Output

In this result, it is evident that the Pearson correlation coefficient(r), is 0.709 and that this is statistically significant ($P < 0.005$) at 0.05 significant level. While 115 is the sampled population and the, $P < 0.005$ is the probability values which is also regarded as the significance of the correlation performed. Since the probability value is less than 0.005, we reject the H_0 and conclude that there is high correlation between strategic planning and quality service delivery in NRC.

Hypothesis Test Two

Ho: The implementation of strategic planning cannot improve quality service delivery in terms of punctuality on train departures, ensuring health and safety control, and boarding tickets at reduced cost for commuters at the train station.

Variables	N	Df	Pearson Correlation Coefficient	Sig.	Decision
Implementation of strategic planning and improving quality service delivery in NRC	115	99	.563**	.000	Rejected

**.Correlation is significant at the 0.01 level and 0.05 (2-tailed). SPSS v26 Output

From the above table 10, it is evident that the Pearson correlation coefficient (r), is 0.563 and that this is statistically significant ($P < 0.005$) at 0.05 significant level. The result suggests that there is statistical significant relationship between implementation of strategic planning and improving quality service delivery in terms of punctuality on train departures, ensuring health and safety control and boarding tickets at reduced cost for commuters at the train station. The probability value ($P < 0.005$) is less that the benchmark of 0.05. Since the probability value is less than 0.05, statistically, it means that there is significant relationship. From the above analysis, we reject the null

hypothesis.

Hypothesis Test Three

Ho: There are no implementation challenges of strategic planning in ensuring quality service delivery in NRC.

Variables	N	Df	Pearson Correlation Coefficient	Sig.	Decision
Implementation challenges of strategic planning and ensuring quality service delivery in NRC.	115	99	.459**	.000	Rejected

** . Correlation is significant at the 0.01 and 0.05 level (2-tailed). SPSS v26 Output

To investigate if there are no implementation challenges of strategic planning on ensuring quality service delivery in NRC; it is evident from the table above, that the Pearson correlation coefficient (r) is 0.459 and that this is statistically significant ($P < 0.005$) at 0.01 and 0.05 significant level. The probability value ($P < 0.005$) is less than the benchmark of 0.05. Since the probability value is less than 0.05, statistically, it means that there is correlation between implementation challenges of strategic planning and **ensuring** quality service delivery in NRC. Therefore, the null hypothesis is rejected.

Discussion of Findings

Results from both the analysis of research questions and test of hypotheses revealed that there is a correlation between implementation of strategic planning and quality service delivery in NRC. Evaluating the relationship between strategic planning and quality service delivery, there was a consensus by respondents that the implementation of strategic planning affects quality service delivery.

The study indicated an inference that the implementation of strategic planning in NRC has triggered changes among various aspects of the corporation especially in relations to proper human resources planning, empowerment of staff, management development and reduced bureaucracy. This inference was supported by Lankeu & Maket (2012) that strategic human resource management will assist implementation of the strategic plans through devolved structures, reduced bureaucracy, empowerment of staff, proper human resources planning, management development, creating high performance workplaces, and lifelong learning and instilling of values and strategies for service delivery in a planned systematic way.

Furthermore, it is evident that there are implementation challenges of strategic planning including but not limited to: government interference with management structure of the corporation, poor

funding to execute strategic plans, poor planning, lack of understanding of the strategic processes and poor IT infrastructure. In support of this evidence, Sebola & Mahlatji (2015) in their study at the Limpopo Economic Development; Environment and Tourism (LEDET) found that poor planning, lack of understanding of the strategic processes, as well as poor coordination of strategic plans is the problem encountered in strategic planning implementation. The foremost setback with strategic planning is the failure to effectively implement, as many organizations do not realize this challenge during strategy formulation but only in the implementation stage. It is imperative to comprehend what makes strategy implementation unsuccessful. Wandjiva (2011) asserted that those in charge of the implementation of the strategies emerging from the planning process know what a strategic plan is but do not know the content of the strategic plan. He further opined that less effort is made by the organization to sensitize non managerial employees in both the process of formulation and implementation of a strategic plan, and this eventually put a damper on them from making positive contributions aimed at the actualization of organizational objectives. According to Li, Guohui & Eppler (2008), middle managers expect direction and support from top management. If they receive guidance, they will offer support for the strategy in return. It was found that effective communication is the prerequisite for effective strategy implementation. Wandjiva in his study also concluded that, for any organization to succeed in the implementation of its strategy, it needs to have a plan that serves as a roadmap toward the attainment of its objectives. Thereafter the strategy must also be effectively communicated and explained to all staff members within the organization. Organizational communication plays a significant role in training, knowledge, dissemination and learning during the process of implementing a strategic plan.

As evidently shown in the analysis, implementation of strategic planning in NRC have an association with the quality service delivery in terms of punctuality on train departures, ensuring health and safety control, and boarding tickets at reduced cost for commuters at the train station. This view is collaborated with the opinions of the interviewed commuters at the train station; they stated that even with the implementation of strategic planning there is not enough done in ensuring the health and safety of the commuters both at the train station and on transit. Many of the interviewed respondents agreed that there are security personnel on board the train while on transit but the number of the security personnel is too little too few compared with the number of commuters. As regards the boarding tickets, the interviewed respondents lamented on the exorbitant price of boarding tickets at the train station. They expected to pay lesser than they are currently paying owing to the implementation of strategic planning in the corporation. These have been a major bane attributed to implementation of strategic planning in NRC.

Conclusion

From the literature review and data analysis of this study, it can be deduced that strategic planning is

developed to aid an organization in ascertaining priorities and best approach to achieve them. It is understood that a strategic plan has to be flexible and serve as a guide to implementing course of actions targeted at attaining organizational objectives. This study concludes that strategic planning has enhanced proper human resources planning, reduced bureaucracy, empowerment of staff, and management development in Nigerian Railway Corporation. Nevertheless, as indicated in this study, NRC implementation of strategic planning is affected by such challenges as government interference with management structure of the corporation, lack of fund to execute strategic plans, poor planning and lack of understanding of the strategic processes.

Based on the data collected from the interview, the study concludes that despite the implementation of strategic planning in the corporation, there are often glitches regarding the punctuality of train departures. Again, not enough has been done to ensure the safety of commuters at the train stations and on transit considering the impact of covid-19 and high rate of insecurity in the country. Sadly, the boarding tickets are not easily accessible to commuters and their prices are exorbitant compared to what a public service should worth. Public service delivery is generally expected to be accessible and affordable by every class in the society without any exceptions.

Recommendations

Life is wealth. It is recommended that adequate health and safety measures be put in place especially with the effect of covid-19 pandemic and high rate of insecurity in the country.

The study recommends that efforts must be made by the corporation to sensitize non managerial employees in both the process of formulation and implementation of a strategic plan. This would go a long way in ensuring successful implementation of strategic plan in the corporation. Communication relates in a complex way to organizing processes, organizational context and implementation objectives that, in turn, have an effect on the process of implementation; therefore, effective communication must be ensured in order to facilitate proper planning; establish an understanding of the strategic processes involved in the implementation; as well as foster coordination of strategic plans. The government should ensure adequate provision of required IT infrastructure and limit their interference with the management structure of the corporation as it negatively affects the implementation of strategic planning in the corporation. Again, adequate funding is required in order to achieve the desired goal of any strategic plan in the public corporation and without adequate funds the strategic ideas will die naturally without being implemented.

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IMPACT OF TECHNOLOGY ON FINANCIAL INCLUSION IN NIGERIA (2011- 2020)

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ABSTRACT

Advancements in financial technology is gradually revolutionising the new innovative financial services to achieve financial inclusion. Globally, the focus is aimed at having more people that have access to, and use innovative financial technological to reduce the financially excluded population in the country. With the introduced and implemented cashless policy in Nigeria by the Central Bank of Nigeria- the target is focused on the unbanked segments of the society aimed towards electronic-agent banking. In view of this, the researcher seeks to access the impact of financial technology on financial inclusion in Nigeria. The study utilized often used non-bank retail agents that rely on technology, which includes Point-of-Sale (POS), Mobile Transactions, Automated Teller Machines (ATMs) and web (internet) transactions in Nigeria for the period 2011 - 2020. The datasets utilized were gotten from Central Bank of Nigeria (CBN) Annual Report. This study used multiple regressions analysis and expost facto research design. The estimation was conducted using the statistical package for social sciences (SPSS) version 27.0. The findings revealed that at 5% level of significance, Mobile phone transfer(MT) and Automated teller machine(ATM) were found to be statistically significant. Although the result of Point of sale(POS) and Web internet(WI) are not statistically significant, its unit increase has a potential effect on Banked population by 0.025%, 0.068% respectively. The finding revealed that a unit increase in Automated teller machine (ATM) and Mobile transfer (MT) will cause a corresponding increase and decrease effect on Banked population respectively.

Keywords: Technology, Financial Inclusion, Point of Sale (POS), mobile transactions, Automated Teller Machine (ATMs) and web (internet). Central Bank of Nigeria surveys.

INTRODUCTION

Background of the study

Technology is evolving faster than ever, and as banking and money management becomes increasingly electronic, it is important to understand the new innovation– not only for convenience, but also for security and for closer accessibility by the financially excluded and poor citizens.

Financial inclusion is the provision of, and access to, financial services to all members of population particularly the poor and the other excluded members of the population (Ozili, 2018). Financial inclusion is also the use of, and access to, formal financial services (Sahay et al, 2015). Each member of the population should have access to available financial services.

Statement of the problem

COVID-19 health crisis has highly disrupted the worlds' economy. Many countries have devised means of survival amidst the disastrous fearful challenges caused by the pandemic. Nigeria and the world at large observes restrictive containment measures, which includes; lockdowns, quarantines, travel restrictions, social distancing and other NCDC rules, to bring the contagion of the virus under control. Digital financial inclusion could have both economic and social impact of the ongoing COVID-19 crisis and the researcher suspects that digital financial services are major instrument of financial inclusion in Nigeria, and is likely to accelerate even during the post- COVID era.

Significance of the Study

- As for researchers, it will add to recent literature as a reference material for other researchers who chose to write on the subject matter.
- The study will contribute significantly to the current empirical findings on the relationship between technology and financial inclusion in Nigeria,
- This study will assist the government and its agencies in policy formulation and implementation on the financially excluded population.
- It will also be useful to fund transfer agents.

Main objective of Study

The main objective of the study is to ascertain the impact of technology on financial inclusion in Nigeria.

Specific objectives

- i. To evaluate the impact of Point- of- Sale (POS) on financial inclusion in Nigeria.
- ii. To examine the impact of mobile transactionson financial inclusion in Nigeria.
- iii. To verify the impact of Automated Teller Machines (ATMs) on financial inclusion in Nigeria.
- iv. To appraise the impact of web (internet) on financial inclusion in Nigeria.

Literature Review**Conceptual Framework**

- Financial technology refers to software and other modern technologies used by businesses that provide automated and improved financial services. It is a “technology”- enabled innovation in financial services that could result in new business models, applications,

processes or products with an associated material effect on the provision of financial services” (Financial Stability Board, 2017).

- Point-of-Sale (POS) are computer facilities in stores that permit a customer to instantly pay for goods and services electronically by deducting the cost of each purchase directly from his/her account. The customer presents an encoded debit card to the store clerks who insert it into a computer terminal connected to the financial firm's computer system. The customer's account is charged for the purchase and funds are automatically transferred to the store's deposit account. (Rose et al, 2008).
- Mobile banking (also known as M-banking) is a term used for performing balance checks and other banking transactions, payments, credit applications and other banking transactions through a mobile device such as a mobile phone or Personal Digital Assistant (PDA) (Adewoye, 2013).
- Automated Teller Machine (ATM), also known as automated banking machine (ABM) or Cash Machine and by several other names, is a computerized telecommunications device that provides the clients of a financial institution with access to financial transactions in a public space without the need for a cashier, human clerk or bank teller. On most modern ATMs, the customer is identified by inserting a plastic ATM card with a magnetic stripe or a plastic smart card with a chip that contains a unique card number and some security information such as an expiration date or CVV. Authentication is provided by the customer entering a personal identification number (PIN). Using an ATM, customers can access their bank accounts in order to make cash withdrawals, credit card cash advances, and check their account balances as well as purchase prepaid cell phone credit. (Ali & Emenike, 2016)
- Web (internet): (Hertzum et al; 2004) defined E-banking as web based banking. It refers to banking operations done over the web/ internet.
- Financial inclusion: According to Sarma and Pais (2010), a financially inclusive system helps in reducing the prevalence of informal financial institutions that are in most cases exploitative, it encourages easy access to capital and usage of the formal financial system by all segments of the economy. Financial inclusion enhances efficient allocation of productive resources and in the process reduces the cost of capital. They concluded that financially inclusive systems enhance efficiency and welfare by providing avenues for secure and safe financial practices.

Theoretical Framework

- **Diffusion of Innovation Theory:** (DOI) theory was proposed by Rogers (1995) to explain the approach through which innovation can be passed via different ways over certain period among different users. This theory holds that people accumulate and synthesize information

about technology before they eventually adopt it or reject it (Agarwal & Prasad 1998). DOI theory perceives innovations to be passed on via several ways several in a span of time as well as a certain system (Sarker& Sahay, 2004). DOI theory tries to explicate as well as illustrate the approaches in which innovations that are digital financial services are adopted and becomes successful.

- **Collaborative intervention theory of financial inclusion:** This theory states that financial inclusion can be achieved through collaborative intervention from multiple stakeholders. The theory suggests that joint effort from multiple stakeholders is needed to bring the excluded population into the formal financial services (Ozili, Peterson K, 2020).
- **Financial literacy theory of financial inclusion:** The theory of financial inclusion states that financial inclusion can be achieved through education that increases the financial literacy of citizens. This theory argues that financial literacy will increase people's willingness to participate in the formal financial sector (Ozili, Peterson K, 2020).

Definition of variables

S/NO	Type	Variable	Measure/ proxy
1	Independent	Financial Technology (FT)	Point- of- Sale (POS)
			Mobile-phone transfer(MT)
			Automated Teller Machines (ATMs)
			Web (Internet) (WI)
2	Dependent	Financial Inclusion (FI)	Banked Population (BP)
3	Control	Population Growth	Population Growth Rate (PGR)

Model Specification

The Multiple Regression model was adopted to estimate the variables. This involves estimation of the model in order to examine the impacts of technology on financial inclusion in Nigeria.

These estimation techniques aim at achieving unique parameter estimates that would enable us to interpret the regression coefficient and consequently give a slightly better fit. In other to avoid a spurious/nonsensical relationship between the variable, we made use of the transformed data for the analysis. The estimation was conducted using the statistical package for social sciences (SPSS) version 27.0.

Taking inference from the empirical findings the model is drawn in line with the hypothesis as

$$BP = f(FT) \dots \dots \dots 1$$

$$FT = (ATM + POS + MT + WI) \dots \dots \dots 2$$

Therefore

$$BP = f(ATM + POS + MT + WI) \dots \dots \dots 3$$

For this study we measured financial inclusion as the bank population, Eqns (1) is the model for achieving the objectives of this study.

Thus we can linearize Eqns (1) to obtain as below

$$BP = \beta_0 + \beta_1(ATM) + \beta_2(POS) + \beta_3(MT) + \beta_4(WI) + \mu_t \dots \dots \dots 4$$

Where

β_0 = Intercept

$\beta_1, \beta_2, \beta_3, \beta_4$ = Slope of the coefficient of the independent variable to be determined

ATM = Automated teller machine

POS = Point of sale

MT = Mobile transfer

WI = Web Internet

μ_t = Error term

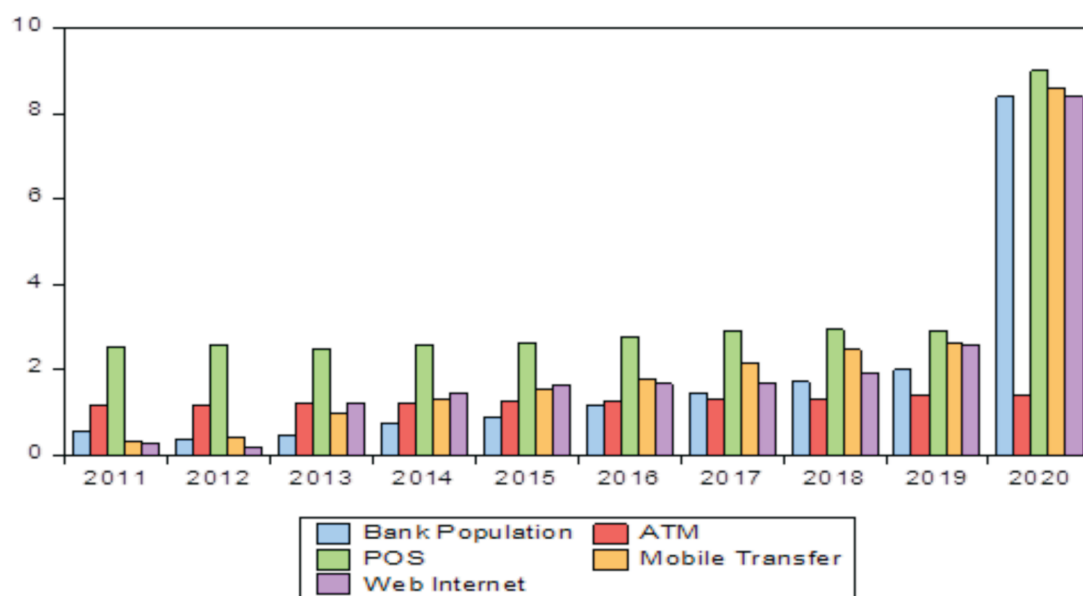


Fig 1: Bar Chart of Bank Population, ATM, POS, Mobile Transfer and Web Internet

Table 1: Descriptive Statistics

	Log(Bank Population)	Log(ATM)	Log(POS)	Log(Mobile Transfer)	Log (Web Internet)
Mean	1.776000	1.268000	3.334000	2.221000	2.101000
Median	1.025000	1.270000	2.705000	1.665000	1.655000
Maximum	8.400000	1.380000	8.990000	8.580000	8.400000
Minimum	0.360000	1.160000	2.470000	0.320000	0.180000
Std. Dev.	2.391277	0.076999	1.994560	2.371172	2.327691
Skewness	2.412961	0.063173	2.630620	2.120056	2.188251
Kurtosis	7.310833	2.082925	7.998620	6.492144	6.728426
Jarque-Bera	17.44700	0.357079	21.94452	12.57234	13.77289
Probability	0.000163	0.836491	0.000017	0.001862	0.001022
Sum	17.76000	12.68000	33.34000	22.21000	21.01000
Sum Sq. Dev.	51.46384	0.053360	35.80444	50.60209	48.76329
Observations	10	10	10	10	10

The descriptive statistics on table 1 above showed that the average value of Bank Population (BP), Automated teller machine (ATM), Point on sale (POS), Mobile transfer (MT) and Web Internet (WI) are 1.776000, 1.268000, 3.334000, 2.221000 and 2.101000 respectively. The standard deviation shows that Bank Population (BP), Mobile Transfer (MT) and Web Internet (WI) are the most volatile respectively while Automated teller machine (ATM) and Point of sale (POS) is the least volatile respectively.

Furthermore, the table revealed that the skewness statistic of Bank Population (BP), Automated teller machine (ATM), Point on sale (POS), Mobile transfer (MT) and Web Internet (WI) is positively skewed.

The Jarque-Bera statistic for the null hypothesis of the normal distribution for all the variables are rejected at 5% significant level as they are not significant at 5% confidence level.

Table 2:Correlations		Log(Bank Population)	Log(AT M)	Log(POS)	Log(Mobile Transfer)	Log(Web Internet)
Log(Bank Population)	Pearson Correlation	1				
Log(ATM)	Pearson Correlation	.569	1			
	Sig. (2-tailed)	.086				
Log(POS)	Pearson Correlation	.757	.965	1		
	Sig. (2-tailed)	.011	<.001			
Log(Mobile Transfer)	Pearson Correlation	.746	.967	.994	1	
	Sig. (2-tailed)	.013	<.001	<.001		
Log(Web Internet)	Pearson Correlation	.679	.988	.990	.987	1
	Sig. (2-tailed)	.031	<.001	<.001	<.001	

Table 2 presents the result of Pearson correlation. The correlation coefficient (R) between Automated teller machine (ATM), Point of sale (POS), Mobile transfer (MT), Web internet (WI) and Bank population (BP) are 0.569, 0.757, 0.746 and 0.679 respectably with p-values <0.05 except for Automated teller machine (ATM) with p-value >0.05. This shows that there is a positive relationship between Point of sale (POS), Mobile transfer (MT), Web internet (WI) and Bank population (BP). There p-values indicated that the result are significant and did not occurred by chance.

Hence for us to properly study the degree of strength of relationship and the accurate significant impact of Automated teller machine (ATM), Point of sale (POS), Mobile transfer (MT), Web internet (WI) on Bank population (BP), we make use of the below regression analysis in table 3.

Regression

Regression is a statistical method used in finance, investing, accounting and other disciplines that attempts to determine the strength and character of the relationship between one dependent variable and a series of other variable known as independent variables. Table 3, 4 and 5 below summarizes the regression output for Automated teller machine (ATM), Point of sale (POS), Mobile transfer (MT), Web internet (WI) on Bank population (BP) which include the Model Summary, Anova table and Table of variable coefficient.

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.991 ^a	.981	.966	.01419

a. Predictors: (Constant), Web Internet, Mobile Transfer, ATM, POS

b. Dependent Variable: Banked Population

Table 4: ANOVA ^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.052	4	.013	64.999	<.001 ^b
	Residual	.001	5	.000		
	Total	.053	9			

a. Dependent Variable: Bank Population

b. Predictors: (Constant), Web Internet, Mobile Transfer, ATM, POS

Table 5: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.450	.049		29.769	<.001	1.325	1.575
	ATM	-.135	.022	-3.494	-6.122	.002	-.192	-.078
	POS	.025	.029	.768	.850	.434	-.050	.100
	Mobile Transfer	.043	.021	1.290	2.068	.044	-.010	.096
	Web Internet	.068	.034	2.099	1.989	.103	-.020	.155

a. Dependent Variable: Banked Population

The result of the regression analysis summarized in the above tables shows that the model for the Automated teller machine (ATM), Point of sale (POS), Mobile transfer (MT), Web internet (WI) on Bank population (BP) is

$$BP = 1.450 - 0.135(ATM) + 0.025(POS) + 0.043(MT) + 0.068(WI) + \mu_t \dots \dots \dots (6)$$

This reveals that a unit increase in Automated teller machine (ATM) and Mobile transfer (MT) will cause a corresponding increase and decrease effect on Bank population respectively, this is evident from the significant nature from the probability value stated in table 5.

The coefficient of determination which is 0.991 reveals that 99% of the variation observed by the

dependent variable is caused by the independent variable. The F value and the p-value (64.995, <0.001) shows that these results is significant.

Hypothesis Testing

Hypothesis One

Ho: Point- of- Sale (POS) has no significant effect on financial inclusion in Nigeria.

H1: Point- of- Sale (POS) has a significant effect on financial inclusion in Nigeria

Conclusion Table 5 above suggest that at 5% level of significance Point of sale (POS) is not statistically significant and have a positive relationship with banked population in Nigeria given that $\beta=0.025$ and $P >0.05$.

Hypothesis Two

Ho: Mobile phone transfer (MT) has no significant effect on financial inclusion in Nigeria.

H1: Mobile phone transfer (MT) has a significant effect on financial inclusion in Nigeria

Conclusion Table 5 above suggest that at 5 % level of significance mobile transfer is statistically significant and have a positive relationship with Banked population in Nigeria given that $\beta=0.043$ and $P <0.05$.

Hypothesis Three

Ho: Automated teller machine (ATM) has no significant effect on financial inclusion in Nigeria.

H1: Automated teller machine (ATM) has a significant effect on financial inclusion in Nigeria

Conclusion Table 5 above suggest that at 5% level of significance Automated teller machine (ATM) is statistically significant and have a negative relationship with Banked population in Nigeria given that $\beta=-0.135$ and $P =0.002$

Hypothesis Four

Ho: Web internet (WI) has no significant effect on financial inclusion in Nigeria.

H1: Web internet (WI) has a significant effect on financial inclusion in Nigeria

Conclusion Table 5 above suggest that at 5% level of significance web internet(WI) is not statistically significant and have a positive relationship with banked population in Nigeria given that $\beta=0.068$ and $P =0.103$.

Diagnostic Checking

Diagnostic tests are conducted to determine the appropriateness and robustness of the estimate.

This study conducted Breuch-Godfrey Serial Correlation and heteroskedasticity ARCH tests. The results of Breuch-Godfrey Serial Correlation and heteroskedasticity ARCH tests showed that the residual are Homoskedasticity.

Table : Breusch-Godfrey Serial Correlation LM Test:			
F-statistic	0.798959	Prob. F(2,3)	0.5270
Obs*R-squared	3.475308	Prob. Chi-Square(2)	0.1759

Table : Heteroskedasticity Test: Breusch -Pagan-Godfrey			
F-statistic	1.020277	Prob. F(4,5)	0.3888

Normal P-P Plot of Regression Standardized Residual

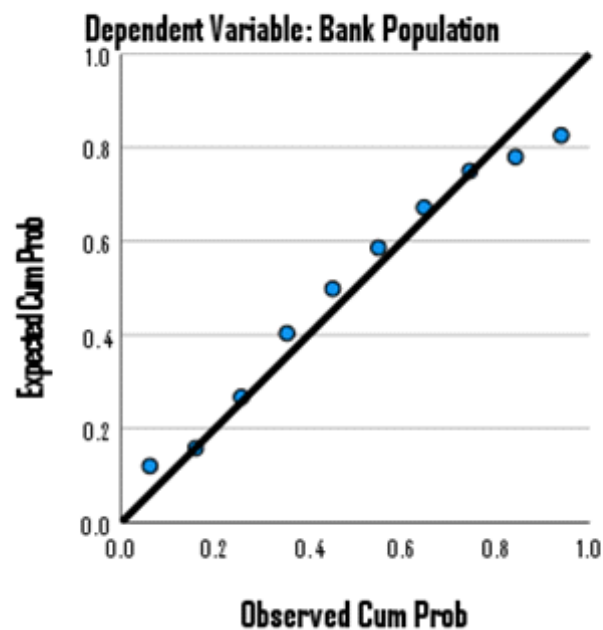


Fig 2: Normal P-P Plot of the Regression Standardized Residual

The Normal P-P Plot shows a good agreement with the IDA line and that's a proof that the residual is approximately normally distributed.

Conclusions and Recommendations

The standard deviation shows that Bank Population (BP), Mobile Transfer (MT) and Web Internet (WI) are the most volatile respectively while Automated teller machine (ATM) and Point of sale (POS) is the least volatile respectively.

Furthermore, the table revealed that the skewness statistic of Bank Population (BP), Automated teller machine (ATM), Point on sale (POS), Mobile transfer (MT) and Web Internet (WI) is positively skewed.

The Jarque-Bera statistic for the null hypothesis of the normal distribution for all the variables are rejected at 5% significant level as they are not significant at 5% confidence level. This shows that there is a positive relationship between Point of sale (POS), Mobile transfer (MT), Web internet (WI) and Banked population (BP). The p-values indicated that the result are significant and did not occur by chance.

This reveals that a unit increase in Automated teller machine (ATM) and Mobile transfer (MT) will cause a corresponding increase and decrease effect on Banked population respectively, this is evident from the significant nature from the probability value and therefore recommend that the impact of ATM and mobile phone transfer channels on banked population should be properly accessed and other channels; Point of sale and web internet should be made comprehensive and more accessible to the financially excluded populace so that more focus will be diverted to Point of sale and web internet.

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EFFECT OF NON-OIL FOREIGN TRADE ON THE ECONOMY OF NIGERIA (1995-2015)

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ABSTRACT

The economic growth of Nigeria to a large extent depends on her trade with other nations. Nigeria as a developing nation has been on a close hand- to- hand struggling with realities of developmental processes not just politically and socially but also economically. No country has grown without trade, export and import trade play a vital role in restructuring economic and social attributes of countries around the world, particularly the less developed countries like Nigeria inclusive. The research examined the Nigerian non-oil export and non-oil import trade: a multiple regression approach. Secondary data from 1995 to 2015 collected from the Central Bank of Nigeria (CBN) were used. Data were analysed using multiple regression ordinary least square using E-view version 9. Results show that non-oil export had a positive and significant impact on real GDP ($r^2 = 0.981$; $F = 162.1474$; No. obs = 21; $P = 0.000 < 0.05$ and non-oil import had a negative and significant impact on real GDP ($r^2 = 0.981$; $F = 162.1474$; No. obs = 21; $P = 0.000 < 0.05$). Based on findings, the null hypothesis one was rejected which state that non-oil export trade has no significant effect on economic growth whereas the null hypothesis two was not rejected which state that there is no significant impact of non-oil import trade on the economic growth. The work concludes that the growth-led-export hypothesis and not the growth-led-import hypothesis is applicable in the Nigerian context with particular reference to the non-oil export. Based on the findings, the research recommends imports should be discouraged and emphasis should be placed on export diversification in favor of non-oil export as well as technical education in the areas of engineering and technology so as take advantage of the transfer of technology, policies in order to boost the Nigerian economy.

Keywords: Non-oil Export, Non-oil Import, Growth, Economy, Nigeria

INTRODUCTION

The economic growth of Nigeria to some extent depends on her trade with other nations. Nigeria as a developing nation has been on a close hand- to- hand struggling with realities of developmental processes not just politically and socially but also economically. Ezike and Amah (2011) state that agriculture was seen in the 1960's as the stabilizing role of the economy as well as the greatest foreign exchange earner, and Nigerian government was able to execute a lot of investment projects as a result of earnings from agricultural products, exports domestic savings and foreign assistance at that point in time. In the views of (Onodugo, Ikpe and Anowor, 2013) which state that contrary consequences of over-dependency on oil trading raises to the need and call to diversify Nigerian economy away from oil towards the direction of non-oil export trade. No country in the world is self- sufficient, so nations are left with the option to produce those products which nature endowed them within greater quantity (Sikiru, J. B; Shehu, D. H; Dan, D and Jimoh O. S. (2012). Oluwasanmi (2012) say that the basis for foreign trade rests on the fact that nations of the world do differ in their resource endowment, preferences, technology, the scale of production and capacity for growth and development. Bank of Industry report (2004) posits that in this present time, the world economy is seen as a periodic phenomenon of trade liberalisation and globalisation. After global economic shocks and Niger Delta restiveness and crises turn to hamper the contributions of the oil sector to the growth of the Nigerian economy. This underlines the need to not only diversify the economy but also target the country's rate of growth through agricultural and non-oil exports. This is also particularly important when one considers the comparative advantage the country has had in agricultural production and non-oil exports as a labour abundant economy (Sikiru, Shehu, Dan and Jimoh, 2012).

Ezigbo (2000) says that international trade involves the use of foreign exchange (currency). The author further states that the exchange of foreign currency for a domestic currency depends on the prevailing exchange rate. Classical as well as neo-classical theorists vest a large number of standing and prominence to foreign trade in a country's economic development, hence, see it as an engine of growth for the economy. Series of years back, the world economies have been associated intimately side by side foreign trade and globalisation respectively. More so, foreign trade is seen as the superlative component of the nation's external economic connections and plays continued part towards the development of the modern global economy. In order to advance the world economy, foreign trade has impacted on growth and development increasingly

over several years. Therefore, the relationship between foreign trade and the nation's economy is not bound beyond the quantitative gains only, but equally structural changes in the economy, as well as facilitation of capital, flows internationally (Frankel and Romer, 1999). Foreign trade acts as a watchdog on governments of different countries particularly when they are making policies on economic adjustments as well link countries both economically and politically (Agbo, 1999). He also posits that foreign trade gives a country or nation opportunity to expand her markets for both goods and services that otherwise may not have been available to her citizens. For illustration, Economic Community of West African States (ECOWAS) has introduced five different denominations of traveller's cheque so as to facilitate foreign trade. The same is applicable in Western Europe and within the Common Wealth of nations of the world.

OBJECTIVES OF THE STUDY

- i. ascertain the effect of non-oil export value on the economies of Nigeria
- ii. determine the impact of non- oil import value on the economies of Nigeria

STATEMENT OF THE PROBLEM

Promotion and stimulation of the economic growth and development is one to export and import trade, but currently, it has not been the case as a result of some fundamental continuous experiences in the Nigerian economy like economic instability and turbulence such as high level of unemployment, price instability, adverse balances of payment, unstable power supply, rise in exchange rate, low revenue generation, corruption, poor governance, poor infrastructural facilities, low growth rate of GDP. The growth of Nigeria's non -oil exports and non-oil import has been sluggish in the post-independence period. It averages about 2.3% during the periods of 1960 -1990, but, in relative terms, declined systematically as the proportion of total exports fell from about 40% in 1970 to about 2% in 2006. This is so because imported capital goods directly affect investments, which in turn constitutes the device for economic expansions. Additionally, the spread of the non-oil export items is experiencing a considerable decline in the periods under study. Although many circumstances may have combined to explain the general adverse developments, the trade policies of the country have often been identified as a major contributor.

RESEARCH HYPOTHESES

Ha: 1. Non-oil export value has a significant effect on the economies of Nigeria

Ha: 2. There is a significant impact of non-oil import value on the economies of Nigeria

LITERATURE REVIEW

Non-oil export trade is the process of selling both manufactured goods and/or services abroad or in a foreign market (Igbani, 1981). The focus on entering the foreign market (s) imposes strong discipline on firms, encourage competition and efficiency of operations. Ezigbo (2000) says that individuals or organisations engage in export trade in order to achieve the following objectives among others; to earn foreign exchange, to increase profit levels, to expand an existing business, to gain access to bigger markets, to tap vast export potentials, to reap economies of scale from higher production, to exploit opportunities in new markets, to support government export promotion and policies, to finance economic activities of a nation.

Agbo (1999) states that guidelines for export are aimed at ensuring strict adherence to accountability and transparency in the conduct of international business by Nigerians as a first step toward building a good image for the country. In export regulations, there is need to ensure that the quality and quantity of all exports as well as the true value of the goods to the consignee tally with the claims on all accompanying documents. The guidelines are reviewed year after year to suit the current trend. Omoju and Adesanya (1999) defines non-oil import trade as all the processes involved in moving manufactured goods and services from one country into another. Import constitutes part of the foreign or international trade. Every nation of the world is dependent upon another in one way or the other for the provision of certain goods and services needed by the inhabitants of such country (Usman, 2010). Importation affords a country the opportunity to benefit from technological advantages of the other countries of the world. It promotes good relations, unity among countries in the world and should be closely monitored to ensure a continual reaping of the benefits accruing from it (Abimboy, 2009).

Economy

Agbo (1999) posits that Nigeria economy is seen as a mixed economy, middle income as well as rising market, with expansion on finance, telecommunications, services and entertainment sectors. Nigeria has been classified as 30th and 40th in 2005, 52nd in 2000 in the world with relative to GDP on the Purchasing Power Parity (PPP) but as at 2012, the largest in Africa, which is on track to becoming one of the 20 largest economies by 2020 in the world.

Due to difficulties and frustrations caused by mismanagement years back, economic reforms put forth by past governments have repositioned Nigeria back on records likely to achieving its maximum economic potentials. The GDP of Nigeria has nearly in 2014 increase thrice from \$170 billion in 2000 to \$451 billion in 2014 at the Purchasing Power Parity (PPP), close to the estimations of the size of the informal sector (which is not included in official figures) put the actual numbers closer to \$630 billion. In similar, GDP per capita in Nigeria multiplied from \$1400 individual in 2000 to an estimation of \$2,800 per individual by 2014 (excluding informal sector, the estimate is that GDP per capita float within \$3,900 per individual). Later, Nigerian population increased from 120 million in 2000 to 160 million in 2010). World Bank report (2013) posits that these figures are subject to increase possibly to 40% after rebasing the economy in 2013.

Notwithstanding that Nigeria is one of the major exporters of crude oil, the amount produced in the world's supply is relatively 2.7 percent whereas Saudi Arabia has about 12.9 percent, Russia has almost 12.7 percent and the United State of America has about 8.6 percent. By 2011, there was Expectation rate of export of an oil revenue to an estimate of 1.9 Mbb/d (300,000 m³/d) on a sales projection price of \$65 per barrel. The Nigeria revenue projection from oil is almost \$52.2 billion (2012 GDP: \$451 billion). This result in almost 11% from formal GDP figures (later drops to about 8 percent during which informal economy was added to the computations). Without much argument that the oil sector is necessary, yet, it maintains the country's most sound economy (World Bank report, 2013). Nigeria was then exporting agricultural production in a commercial quantity but now reverse is the case as the country imports relative great quantity of its food products, although there is resurgence in manufacturing and exporting of food products. World Bank report (2013) posits that in 2006, Nigeria satisfactorily convinced the Paris Club over its owned debts so that the country can buy back the bulk all the debts on a cash payment of about \$12 billion.

The economy of Nigeria strives to put the vast wealth in fossil fuels so as to move the country out of recession as well as poverty that affecting a relative of 45 percent of the population

Foreign Trade- Defined

Trade itself is the exchange of commodities and/or services (Agbo, 1999). The exchange can be done directly through barter or indirectly through a medium such as money. Foreign trade is, therefore, such trade carried on across a national boundary. Trade is a repeated sequence of exchanges of goods through market transactions (Abebebe, 1995). It is referred to as foreign or international if it involves transactions beyond the boundaries of a sovereign political authority. Samuelson and Nordhaus (2002) see foreign trade as the system in which a nation exports and imports goods, services, and capital. They identify three differences between domestic and foreign trade as expanded trading opportunities, sovereign nations and exchange rates. The forces that lie behind foreign trade are that trade promotes specialisation; and specialisation enhances productivity (Ingram and Dunn 1993, Samuelson and Nordhaus 2002) as quoted by (Ezirim, Okeke, Titus, Akpobolokemi and Patrick, 2011).

Terms of Trade

The terms of trade refer to the rate at which the goods of one country exchange for the goods of another country (Jhingan, 2012). The purchasing power of a country's exports of a country as it concerns imports is expressed by the relationship between export prices and import prices of its goods. When export price of a country raises relatively to its imports prices, its terms of trade are said to have improved. The country gains from trade because it can have a larger quantity of imports in exchange for a given quantity of exports. On the other hand, when its imports prices rise relatively to its export prices, its terms of trade are said to have worsened.

Non- Oil Export trade

Non-oil export trade is the process of selling both manufactured goods and/or services abroad or in a foreign market (Agbo, 1999). The focus on entering the foreign market (s) imposes strong discipline on firms, encourage competition and efficiency of operations. Ezigbo (2000) says that individuals or organisations engage in export trade in order to achieve the following objectives among others;

- (a) to earn foreign exchange
- (b) to increase profit levels
- (c) to expand an existing business
- (d) to gain access to bigger markets
- (e) to tap vast export potentials
- (f) to reap economies of scale from higher production
- (g) to exploit opportunities in new markets
- (h) to support government export promotion and policies
- (i) to finance economic activities of a nation

Non- Oil Import trade

Non-Oil import trade is mutually complementary to non-oil export trade. Agbo (1999) defines non-oil import trade as all the processes involved in moving manufactured goods and services from one country into another. Import constitute part of the foreign or international trade. Every nation of the world is dependent upon another in one way or the other for the provision of certain goods and services needed by the inhabitants of such country (Ezigbo, 2000). Importation affords a country the opportunity to benefit from technological advantages of the other countries of the world. It promotes good relations, unity among countries in the world and should be closely monitored to ensure a continual reaping of the benefits accruing from it. Agbo (1999) states the following as relevant documents used in the importation of goods and services at least from the Nigeria context. These include;

- (a) **Form (M):** This form comes from the Central Bank of Nigeria for the purposes of foreign exchange businesses.
- (b) **Letter Of Credit:** This is the document sent to the exporter abroad showing that you are financially capable of financing the importation project.
- (c) **Proformer Invoice:** This refers to the document sent by the exporter showing the quantity, quality, value unit price, type of commodity desired to be imported. This is submitted with FORM (M) to the local Bank of the importer after which the local bank will inform the exporter about the purchase. This activity brings in the Central Bank of Nigeria (CBN) again because the exporter will be paid through foreign reserve with the World

Bank. This is why government discourages importation because the more we import, the lesser or the more our foreign reserve dwindles.

- (d) Import Duty Report (IDR):** This document is prepared abroad by countries independent firms that assess goods showing the quantity, rate of duty and value payable in naira. It is good to note, however, that not all commodities attract IDR, but designed for goods costing above one thousand (1000) dollars.
- (e) Clean Report of Findings:** This paper is issued by the independent organisation abroad showing that the goods are not hazardous and good for human consumption.
- (f) Park List:** This is a paper containing the lists of goods containerised.
- (g) Attested Invoice:** This is one of the documents following imported goods showing the description with prices of the commodities in the container.
- (h) Bill Of Lading:** This is an agreement paper between the consignor and the consignee to transport the consignment from the point of exportation to its destination from the shipping company. The stated documents should unfailingly follow the commodities. On arrival, these documents are submitted to the Nigerian Customs service licensed clearing agents, who will then submit the papers for adequate scrutinisation before the clearance can be effected. Whatever item that attracts IDR but fails to come with it is confiscated. Personnel effects are not part of the things that attract IDR and one must have to stay up to or for at least nine months before he is allowed to bring personal effect.

Trends in Nigeria's Non-Oil Export Policies

Non-oil sector comprises those groups of economic activities which are outside the petroleum and gas industry or those not directly linked to them (Frankel and Rommer, 1999). It consists of sectors such as manufacturing, agriculture, telecommunication, service, finance, tourism, real estate, construction and health sectors. Non-oil (mostly agricultural) products such as groundnuts, palm kernel, palm oil, cocoa, rubber, cashew, shea butter, cotton, coffee, beans, hides, skin and cattle dominated Nigeria's export trade in the 1960s. But the discovery of crude oil in commercial quantity shifted the attention from non-oil export to a "petroleum mono-cultural economy" since the 1970s. While petroleum export was growing, non-oil exports were declining, this made the dominance of oil export over non-oil export much more rapid and pervasive. Before independence, the colonial administration took up market Board system to guarantee steady provision of raw materials to industries within the metropolis of Britain of the

Western Europe. They were a proper system of administration because the equipment was effectively and efficiently used in farm production.

Structural Adjustment Programme (SAP) and Non-Oil Exports in Nigeria

Itegbe (1989) maintains that between 1984 and 1986, successive military administration started giving serious considerations to the need to urgently find or develop other methods or avenues of sourcing foreign exchange, in addition to measures adopted to conserve what was already earned. This situation arose as a result of mounting obligations on the country to settle trade arrears and for debts servicing as well as to meet current trade bills. He further states that during 1984, Nigeria had found herself in huge foreign debts in addition to being in serious arrears in settlement of foreign trade bills mainly on irrevocable letters of credit. Thus, it became clear to policy makers in Nigeria that additional efforts had to be made by the nation to earn foreign exchange. It was for this reason that the government in 1986 adopted export-oriented development strategy as a major cornerstone of the Structural Adjustment Programme (SAP). SAP involves the formulation and adoption of a comprehensive export incentives strategy known as the Export Incentives and Miscellaneous Provision promulgation of No.18 of 1986. The Decree was further fortified through the provisions made in Second-Tier Foreign Exchange Market (SFEM) promulgation No.26 of September 1986. The establishment of both Export Decree as well as SFEM Decrees, were seen to be “Watershed” within the journey of non-oil export regulations and developments in Nigeria.

Itegbe (1989) states that export widening and diversification strategies are now government focus. Experts and academics in the area of export promotion have tried to figure out why after over 20years of this export policy regime there has yet been little significant positive results. Fagbero (1999) identified some major defects in the policy environment. These include constraints in infrastructural development like power supply, pipe borne water and telecommunications. The author later states his challenges towards the management in moving import substitution to export-oriented industrialisation strategy.

In their own view, Farugee and Husain (1994), posit that the SAP policy virtually had everything sorted out but only on paper, including plans for diversification, foreign exchange earnings and retention through domiciliary accounting, incentives, institutional frameworks, laws, decrees etc. More so, a new approach towards export policy realisation which was not made available in

order improve in protecting local producers within some advanced nations, most of the developed markets that the country trade ties with. The authors say that the incapability in SAP to move close to protectionism shows how stronger is global trade competitions and less friendly than reflected by our acceptances (as in the law of contract) and by the competitions themselves

PROBLEMS OF NIGERIA'S NON -OIL EXPORT AND NON-OIL IMPORT TRADE

Usman (2010) states some key impediments towards the growth of the non – oil sector which include:

- (a) Weak infrastructures
- (b) Supply side constraints due to low level of technology
- (c) Low level of human capital development
- (d) Weak institutional framework
- (e) Poor access to finance

THEORETICAL REVIEW

Absolute Advantage Trade Theory

The theory of absolute cost advantage was propounded by Adam Smith on his book, “Wealth of Nation” 1776. The theory emerges as a result of the criticism levied against mercantilism. He advocates free trade as the best policy for nations in the world. Smith argues that with free trade, each nation or country could specialise in the production of those commodities in which it could produce more efficiently than the other nations, and import those commodities in which it could produce less efficiently. This international specialisation of factors in production would result in an increase in world output, which would be shared by the trading nations. Thus, a nation need not gain at the expense of other nations, all nations should gain simultaneously. In other words, according to the theory, a nation should specialise in the production of export of commodities in which it has lower cost or absolute cost advantages over others. On the other hand, the same country should import a commodity in which it has higher cost or absolute cost disadvantage (Usman, 2011).

EMPIRICAL REVIEW

Ezike, Ikezu and Amah (2012) investigated the macroeconomic impact of trade on Nigerian growth. Using the Ordinary Least Square (OLS) regression technique and applying a combination of bivariate and multivariate models from the data covering the period 1970 –2008. The authors observed that the two predictors used in the study for trade, namely exports and foreign direct investment have a positive and significant impact on Nigeria's growth.

Omoju and Adesanya (2012) investigated non-oil sector trade and growth in developing country using Nigeria as a case study. The authors employed time series data of 1980 to 2010 while using Ordinary Least Square regression analysis. Results showed that foreign trade, FDI, public expenditures as well as exchange rate impacted straightly on economic growth in less developed nations.

BigBen (2011) investigated the extent to which variance within an economy could be unfold using several numbers of importation within the nation. The work tries to discover if it is importation or exportation activities growth assumptions grasp in Nigeria. Johansen analysis was used to draw near co-integration as well as standard Granger-causality evaluations to ascertain the study. The co-integration test result showed that the relationship between economic growth and decomposed import variables in Nigeria are stable and combining in the long run. Particular categories of interests in this study are food and life animal, manufactured goods, and machinery and transport equipment as the trio constitute over 75 percent of exact importations. Pairwise Granger Casualty assumption holds an opposite view claiming that importation growth techniques has no grasp in Nigeria due to influences of inability to promote technologies involved with importing capital products, incapability to maintain already set-up production machines as well as corruption identified in procedures of procurement involving contracts of imports on manufactured and capital goods for most failed capital projects.

Mayer and Ottaviano (2007) summarised their findings from 20 micro-econometric studies on imports and productivity based on firm data gotten from 12 countries using multiple regression analysis. All papers are published since 2007 and many of them are still in working paper status. The specified information is that there exist relevant connections of importations as well as production within companies degree recorded on a noticeable output distinctiveness among companies claiming that imports, as well as companies, trade differently on foreign backgrounds; exports are of a similar situation. Combine trading yields abundance results,

unlike companies that import only or export only. Therefore, combine trading seems better, next is importation then exportation whereas local companies join last. Facts are established using learning by-import, however, is still rare and inconclusive (Mayer and Ottaviano, 2007).

RESEARCH METHODOLOGY

The research design adopted in this study is ex-post facto because the research relies on secondary data. The study employs multiple regression estimations to test the hypotheses postulated in the study. Real GDP is acknowledged as dependent variable which proxies for economic growth, while export and import are independent or explanatory variables.

$$RGDP = f(X_1, M_2) \dots\dots\dots (1)$$

Where,

RGDP = Real Gross Domestic Product

X_1 = Non- Oil Export value

M_2 = Non- Oil Import value

The research model expressed in linearised form is,

$$\text{LogRGDP} = \beta_0 + \beta_1 \log \text{NEV} + \beta_2 \log \text{NMV} + e \dots\dots\dots (2)$$

Where,

β_0 = Intercept

β_1 = Coefficient of non-oil export value

β_2 = Coefficient of non-oil import value

e = Stochastic term that captures the effect of other variables not included in the model.

DATA ANALYSIS AND TEST OF HYPOTHESES

Data collected were analysed using multiple regression statistical approach using E-View version of 9.0 at 5% level of significance.

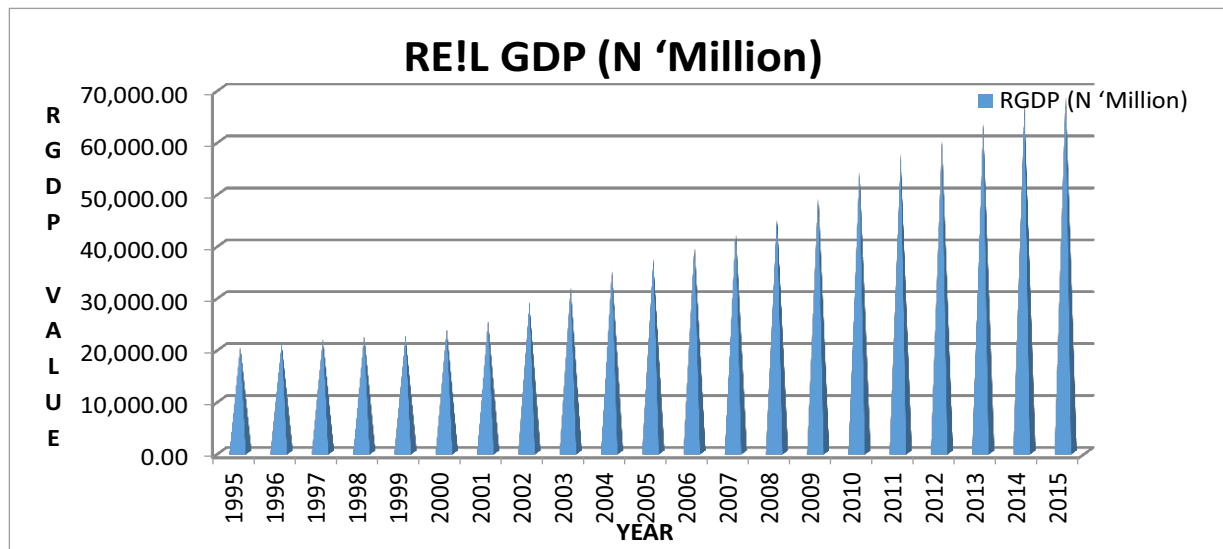


Figure 1: Trend analysis for Real Domestic Product (RGDP) in Nigeria from 1995-2015

Source: E-view Excel Result, 2021

From table depicted in appendix, real GDP was N20, 353.20 million in 1995 and increased in 1996 to 21,177.92 million, representing a rise of 4.05% when compared to the 1995's figure. It continued to rise but in a decreasing rate from 1997 to 1999 representing an average rise of 1.97% compared to 1996 figure. It began to increase in an increasing rate in 2000 (N23, 688.28), 2001 (N25, 267.54), and 2002 (N28, 957.71) at the 5.52%, 6.67% and 14.6% respectively.

In 2003, the real GDP stood at N31, 709.45 million, a 9.5% increase compared to 35,020.55 million in 2004. Since then the real GDP has witnessed a tremendous fluctuation in the trend growth, high records of N69, 023.93 million in 2015 and the highest growth rate recorded in 2004 at 10.44% growth from the previous year. The increase in real GDP in 2005, 2006, 2007, 2008, 2009, and 2010 were 7.01%, 6.73%, 7.32%, 7.2%, 8.35% and 7.98% respectively. The real GDP continued to increase with N57, 511.04 million (7.36% increase from the previous year) in 2011, N59, 929.89 million (4.21% increase from the previous year) in 2012, N63, 218.72 million (5.49% increase from the previous year) in 2013, N67, 152.79 million (6.22% increase from the previous year) in 2014, and N69, 023.93 million (2.79% increase from the previous year) in 2015. Our analysis indicate especially from 2010 to 2015 shows that the decline in real GDP may have been caused by the fall in oil price in the world market and certainly has an adverse effect on the Nigerian economy. But not just the oil price shocks, there may be other significant factors that must have contributed to the reduction in the growth rate (NBS, 2016). It is likely

that a reduction in demand from Nigeria's main export partners has also been an important factor.

Table I: Augmented Dick-Fuller Test for Unit Root

Level Variable	ADF				
	t-statistics	1% critical value	5% critical value	10% critical value	Probability value
RGDP	-3.054	-3.808	-3.020	-2.650	0.0301
NEV	-4.725	-4.667	-3.733	-3.310	0.0008
NMV	-4.303	-4.498	-3.658	-3.268	0.0147

Source: Researcher's Excel Result, 2021

As revealed from table above, there is presence of stationarity since the ADF Unit root statistics of all the variables are all significant at 5% respectively.

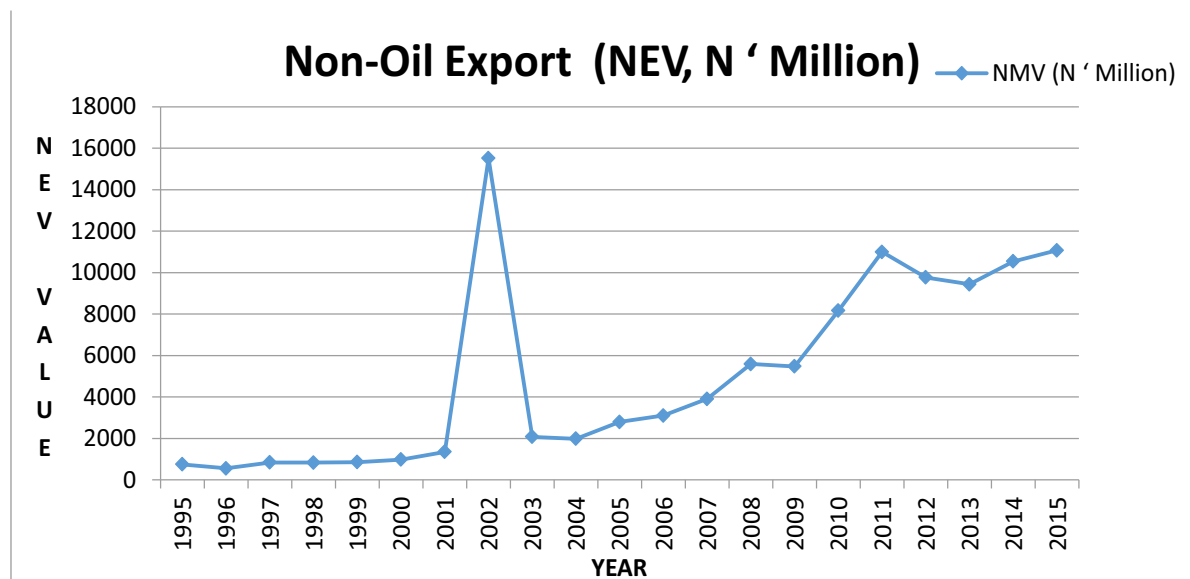


Figure 2: Trend analysis for Non-Oil Export Revenue in Nigeria from 1995-2015

Source: Researcher's Excel Result, 2021

TEST OF HYPOTHESIS ONE

H₀: 1. Non-oil export value has no significant effect on the economies of Nigeria

Regression Result of Hypothesis One

Table II

Dependent Variable: LOG(RGDP)

Method: Least Squares

Date/Time: 29/09/2021; 08:43pm

Sample: 1995-2015

Included observations: 21

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	4.337358	0.607471	7.140029	0.0000
LOG(NEV)	0.212219	0.040163	5.283997	0.0001
LOG(NMV)	-0.143470	0.030269	-4.739832	0.0115
R-squared	0.981834	Mean dependent var		10.51162
Adjusted R-squared	0.975779	S.D. dependent var		0.427673
S.E. of regression	0.066559	Akaike info criterion		-2.346504
Sum squared resid	0.066451	Schwarz criterion		-2.048069
Log likelihood	30.63830	Hannan-Quinn criter.		-2.281736
F-statistic	162.1474	Durbin-Watson stat		1.278682
Prob(F-statistic)	0.000000			

Source: Researcher's E-view Result, 2021

Decision Rule: The decision rule is rejected **H₀₁** if the probability less than 0.05. Therefore, we reject the null hypothesis, and, then conclude that non-oil export value has a significant effect on the economies of Nigeria.

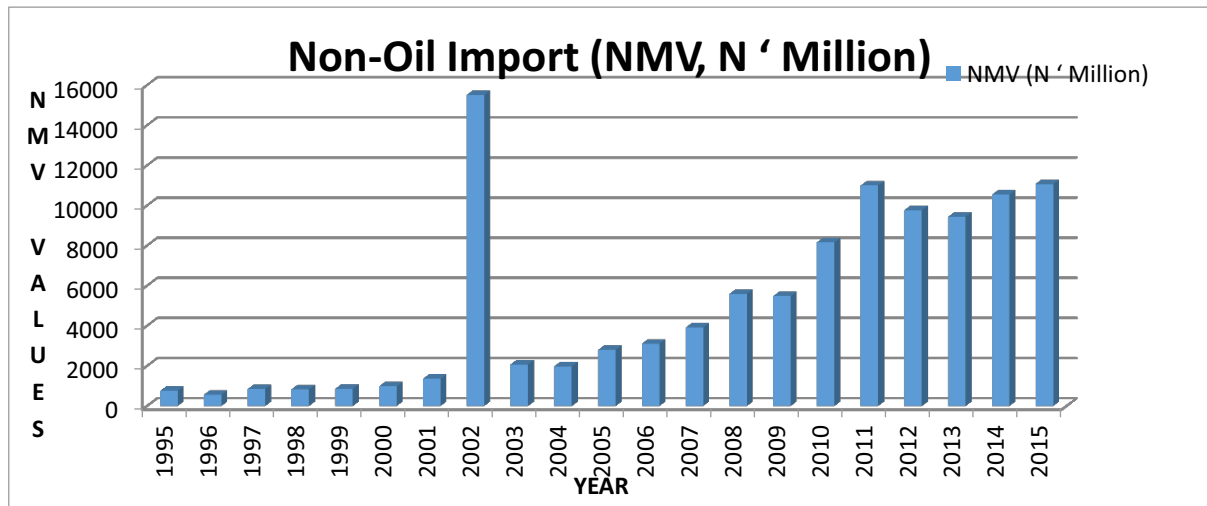


Figure 3: Trend analysis for Non-Oil Import in Nigeria from 1995-2015

Source: Researcher's Excel Result, 2021

TEST OF HYPOTHESIS TWO

Ha: 2. There is a significant impact of non-oil import value on the economies of Nigeria

Regression Result of Hypothesis Two

Table III

Dependent Variable: LOG(RGDP)

Method: Least Squares

Date/Time: 29/09/2021; 08:43pm

Sample: 1995-2015

Included observations: 21

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	4.337358	0.607471	7.140029	0.0000
LOG(NEV)	0.212219	0.040163	5.283997	0.0001
LOG(NMV)	-0.143470	0.030269	-4.739832	0.0115
R-squared	0.981834	Mean dependent var		10.51162
Adjusted R-squared	0.975779	S.D. dependent var		0.427673
S.E. of regression	0.066559	Akaike info criterion		-2.346504
Sum squared resid	0.066451	Schwarz criterion		-2.048069
Log likelihood	30.63830	Hannan-Quinn criter.		-2.281736
F-statistic	162.1474	Durbin-Watson stat		1.278682
Prob(F-statistic)	0.000000			

Source: Researcher's E-view Result, 2021

Decision rule: decision rule is rejected H_0 if the probability less than 0.05. Based on decision rule, we reject the alternate hypothesis, and, then conclude that non- oil import value has a negative significant effect on the economies of Nigeria.

DISCUSSION OF RESULTS

From the data in Appendix and our regression results, Non-Oil Export was N950.7 million in 1995 and increased to N1309.5 million in 1996 representing a tremendous 37.74% increase from the 1987 figure. The improved performance to then non-export sector in the last two years is traceable to the impact of the depreciation of the exchange rate of the naira and increase in the export price of petroleum (Ezike and Amah 2011). The Non-Oil Export of 1997 and 1998 fell to N1241.7 million (-5.18) and N751.9 million respectively. It saw an upward rise in 1999 and 2000 with the rate of 58.13% (N1,189.0 million) and 63.64% (N1, 945.7 million) respectively but decreasing by 3.99% and 6.63% in 2001 and 2002 respectively. From 2003 to 2008 saw a continuous positive growth with the highest change observed in 2003 (77.04) and the lowest in 2006 (1.08%). Non-Oil Export maintain a little fluctuation from 2009 to 2015 with 2009 (-17.1%), 2012 (-0.64%), 2014 (-15.1%) and 2015 (-31.8%) saw a negative growth while 2010 (39.57%), 2011 (26.85%) and 2013 (0.81%) maintained a positive growth in Non-Oil Export. In the economy, the export trade plays a key role in the dynamics of the domestic economy. The focus of engaging in the foreign market will impose strong discipline; encourage efficiency and competitive operations among the domestic firms. The crucial role of the non- oil export to a nation's growth and development cannot be overemphasized as it can act as a catalyst to spur the overall development of an economy (Abou-stait, 2005). From our findings, non-oil export is positive and statistically significant, and could contribute an increase of real gross domestic product by 0.21 units if non-oil export increase by 1 unit within the period under study. It implies that sectors such as agriculture, manufacturing, wholesale/retail trade, building and construction, and services contribute to the real gross domestic product of Nigeria.

Furthermore, from the data presentation in appendix as well as regression result, Non-Oil Import was N755.1 million in 1995 and N562.6 million in 1996 representing a 25.5% fall from 1995 value. In 1997, Non-Oil import recorded N845.7 million, representing a drastic increase of 50.32% when compared to the 1996's figure but fell again in 1998 by 0.98%. In 1999 it

continued an upward rise till 2002 representing an average increase of 274.2% increase and the highest growth rate within this period was observed in 2002 with a 104.2% (15,512.7) rise but it fluctuated downward in 2003 and 2004 with a decrease of 86.6% (2,080.2) and 4.48% (1987). From 2005 to 2008, the Non-Oil import saw a continual upsurge averaging 29.25%. The Non-Oil Import declined to a value of N5,480.7 million in 2009 accounting a 2.01% decrease and rose to N8,164.0 million in 2010 showing a percentage increase of 48.96% and also continued in that upward trend in 2011 at a percentage increase of 34.69% (10,995.9). The Non-Oil Import in 2012 and 2013 saw a decline of 11.2% and 3.35% from the previous year accounting N9, 766.6 million and N9, 439.4 million respectively. In 2014 and 2015, the values of Non-Oil Import saw an increase from the previous year with a N10, 538.8million (11.2% increase from the previous year) and N11, 076.1 million (5.09% increase from the previous year) respectively. This growth in the value of imports has in the literature been attributed to a number of factors which include expansion in crude oil exports that considerably raised foreign exchange earnings, the over-valuation of the naira during the period of controls, and liberal trade policies. Our findings show that non-oil export is negatively and significantly related to real gross domestic product. Our result corroborates with that of Keller (2002) and BigBen (2011) but did not support the import-led hypothesis and the empirical findings of Agbo (1999), Keller (2002) and Usman (2011). So, our evidence shows no import-led growth hypothesis in Nigeria at the period under consideration. It could be as a reason of lack of capacity to utilize the opportunity provided by advance technologies that come with imported capital, endemic corruption bedeviling contracts for the importation of capital goods and inability to sustain installed manufacturing capacity.

SUMMARY OF FINDINGS

The findings from the specific objectives of this study are as follows:

1. Non-oil export has a significant positive effect on the economies of Nigeria ($r^2 = 0.981$; $F = 162.1474$; No. obs = 21; $P = 0.000 < 0.05$).
2. There is a significant negative impact of non-oil import on the economies of Nigeria ($r^2 = 0.981$; $F = 162.1474$; No. obs = 21; $P = 0.000 < 0.05$).

CONCLUSION AND RECOMMENDATIONS

The results emanating from this study are quite revealing for Nigerian economy. Foreign trade and transactions have effects on the growth of the Nigerian economy. Based on our findings, we could say that the growth-led-export hypothesis and not the growth-led-import hypothesis is applicable in the Nigerian context with particular reference to the non-oil export. Then, instead of sole dependent on oil export for the ever increasing need for foreign exchange earnings, attention should also be giving to non-oil export trading as it has the capacity to positively and significantly derive the economy to the desired direction while import contents should be looked at with emphasis on the capital goods. Therefore, to improve the living standard of the populace, emphasis should not be directed only to the export sector of the economy but should be far reaching as the growth in the economy also has the potential to drive the non-export sector of the economy. The paper recommends that more emphasis should be placed in export diversification in favor of non-oil export as this has a great potential in bringing about sustained growth in the Nigerian economy. Also, Nigeria's policy on education should prescribe for more emphasis on technical education in the areas of Engineering and Technology. This will serve to bridge the manpower gap by vigorously pursuing capacity building and manpower development programmes that will enable us effectively download and transfer the modern technologies embodied in both manufactured and capital goods imports for the domestic economy to benefit from the expected technology diffusion and reduce the importation of consumer goods.

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APPENDIX A

Real Gross Domestic Product and non-oil Trade variables from 1995 - 2015

YEAR	RGDP (₦ ' Million)	EXPORT (₦ ' Million)	IMPORT (₦ ' Million)
1995	20,353.20	950.7	755.1
1996	21,177.92	1309.5	562.6
1997	21,789.10	1241.7	845.7
1998	22,332.87	751.9	837.4
1999	22,449.41	1,189.0	862.5
2000	23,688.28	1,945.7	985.0
2001	25,267.54	1,868.0	1,358.2
2002	28,957.71	1,744.2	1,5512.7
2003	31,709.45	3,087.9	2,080.2
2004	35,020.55	4,602.8	1987.0
2005	37,474.95	7,246.5	2,800.9
2006	39,995.50	7,324.7	3,108.5
2007	42,922.41	8,309.8	3,912.0
2008	46,012.52	10,387.7	5,593.2
2009	49,856.10	8,606.3	5,480.7
2010	54,612.26	12011.5	8,164.0
2011	57,511.04	15,236.7	10,995.9
2012	59,929.89	15,139.3	9,766.6
2013	63,218.72	15,262.0	9,439.4
2014	67,152.79	12,960.5	10,538.8
2015	69,023.93	8,845.3	11,076.1

SSource: CBN Statistical Bulletin, World Bank (Various relevant years).

Note: RGDP =Real Gross Domestic Variable; NEV = Non -Oil Export Value; NMV = Non-Oil Import Value

Effect of customer feedback on marketing effectiveness in a manufacturing organization

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Abstract

The study examines the effect of customer feedback on effective marketing in manufacturing plants. In NBMC (a packaging material provider located in Lagos, Nigeria), the triangulation method was used to understand how customers' feedback shapes marketing and its elements. Standardized customer satisfaction survey forms were administered to selected customers, archival information and other qualitative reports were reviewed to align customers' feedback to historical and current sales performance. Using Yamane's formula, and from a sample population of 192 customers, 100 respondents were selected with simple random sampling. It was found that customers were well disposed to the company's product offerings, hence improved sales performance was sustained in a highly competitive market as customer perception of elements of marketing improved. Contrary to expectation, a recorded low perception of the company's pricing regime did not result in a sustained decline in customer patronage. Hence, as customer's feedback remains positive across several indicators, marketing effectiveness was sustained.

Keywords: Customer, Customer Feedback, Marketing, Marketing effectiveness, Manufacturing sector, Customer Satisfaction,

Effect of customer feedback on marketing effectiveness in a manufacturing organization

Customers continue to receive more attention from competing organizations warring to increase market share. In customer-centric organizations, infrastructures are in place to capture what the customer is saying about the product and accompanying services because customer feedback is useful (Accenture, 2013). This customer information is captured through employed marketing professionals who endeavour to drive

organizational performance via available data from customer feedback, premium products, product visibility and excellent customer service. It is therefore no longer news that both the manufacturing and service sectors continue to depend on customer perception and experience to improve their offerings (Hassan, 2012).

Marketing is more than mere advertising of manufactured products or brand management (Quinton, 2012, American Marketing Association, 2013). The consumers of products tend to make choices based on needs and expectations that a product would satisfy. Filip (2013) submitted that though sometimes gotten from customer complaint systems, customer feedback is a less expensive way to diagnose and learn where a company is ailing or failing. As such, paying attention to customer complaints is significant for generating operational and strategic benefits to the organization (Angelova, 2011). This makes the gathering of customer feedback a significant tool for marketers in the manufacturing sector and a way to communicate. Studying how the exchange of information affects business objectives from the customers and organization perspective is also significant for crafting effective business strategies. Thus, this study intends to understand the effect of customer feedback on marketing effectiveness in the manufacturing sector.

Background

As a result of the tangibility of products in the manufacturing sector which is different from what obtains in the service sector, customers can make patronage decisions after comparing actual product experience of touch and feel to expectation. With various marketing philosophies identified by different authors (Grundey, 2010; Armstrong et al 2014); it would be most rewarding for organizations to understand the impact of customer judgments on the effectiveness of marketing activities. The American Marketing Association (2013), defined marketing as “the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large”. Hence, other explanations of marketing pointing to the significance of identifying and meeting customer needs satisfactorily are also significant (Thomas, 2018).

Customer feedback varies depending on the product or sector concerned. However, the fundamental aspects will be similar. Ahmad, Vveinhardt and Ahmed (2014) suggested that word of mouth emanating from customers must not be ignored, rather they are areas of potential positive or negative responses that could trigger a change in patronage, a complaint to the seller, a complaint to a third party, or another form of feedback. This implies that customer feedback can either be positive or negative to the overall business outcome.

Statement of the Problem

Customer feedback in the Manufacturing sector is not exactly like what characterizes the service sector because they differ in areas touching intangibility, heterogeneity, and inseparability of production and consumption (Gupta, 2012). Manufacturing outfits initiate and produce physical products based on expertise, machine capabilities, business strategy, marketing strategy, competitive and comparative advantage whereas service firms deal with output that is not tangible (Gupta, 2012). This suggests that excellent use of available information on customer perception would be a great determinant to the success level of an organization.

Before committing an organization's budget to market its products, executives are to anticipate customers' desires and perceptions of existing products. This is to be done both internally and externally via data-driven considerations. Such information on customer perception and attitude is expected to help understand future demands and behaviour of consumers. Hence, resultant product offering must meet customer requirements and appropriately satisfy expectations thereby sustaining or growing sales achievement which will, in turn, improve return on marketing investment (ROMI).

To this end, of great importance to any marketing strategist and this study are the following problems that must be resolved:

1. Consistent achievement of sales budget measured in terms of quantity of goods
2. Assurance that marketing expenses will bring a significant return on marketing investment (ROMI)
3. Determination of appropriate marketing direction with which to capture, retain and grow customer base
4. Knowledge of customer perception of offerings (i.e., both product and service) and how their feedback stands to contribute to organizational objectives.

Getting useful responses to questions relating to these will help all consumer-centric production organizations to achieve marketing effectiveness if the areas are properly demystified.

Objectives of the study

This study aims at understanding how customer perception discovered through a collection of feedback influences organizational achievements. It intends to study and establish the usefulness of customer feedback to marketing activities in the Manufacturing sector via the following objectives:

1. To identify areas of customer feedback in the manufacturing sector
2. To collect, categorize and analyse the effect of customer feedback on marketing activities in the manufacturing sector

3. To determine the effect of customer feedback on actual sales turnover and revenue

Research Questions

This study will provide answers to the following Research Questions:

1. What are the identified areas of customer feedback in the manufacturing sector?
2. How does the identified areas of customer feedback in the manufacturing sector influence marketing effectiveness?
3. What is the correlation between customer feedback and sales performance?

Materials and Methods

Data used in this study emanated from fresh administration of replicated and standardized customer satisfaction survey forms administered to customers of NBMC (a packaging materials provider located in Lagos), archival information from similar forms, other related qualitative reports. A mixed-method, known as triangulation, combined both quantitative and qualitative research approaches.

Sample size was calculated using Yamane's formula (Okeke, 2014; Singh & Masuku, 2014).

Yamane's formula for calculating Sample Size n = $N + [(1 + N) \times (e^2)]$

Where

n = Sample size

N = Population = 192

e = Margin of error = 10%

Thus, the sample size for this research was determined as follows:

$n = 192 / [(1 + 192) \times (0.102)]$

$n = 100$

To select 100 samples from the sample population as calculated by Yamane's formula, a simple random sampling technique was used. Resultant data was used and cleaned using Microsoft Excel 2013 functionality.

For the qualitative aspect of the study, extant literature exists on various ways to describe Ps of marketing. These recorded definitions were expressed as 4Ps, 7Ps, 8Ps and 9Ps at different times and by different authors (Fisher, 2017; Saha, 2020, Kotler and Keller, 2012; Londre, 2016).

Data Analysis

The process of data analysis took a careful and gradual approach with good knowledge and the use of analytic tools. The tools were used to break information down into bits for reclassification as deemed necessary for the study.

A questionnaire used in previous customer satisfaction surveys was standardized to contain 15 questions and reused for a fresh survey. The standardized questionnaire was restructured to contain 8 quantitative and 7 qualitative questions to generate significant customer feedback. While the quantitative part of the survey was made up of 8 Likert scale questions, seven of which related to the 7Ps of marketing, there were other 7 qualitative questions asked to generate open-ended responses to foster proper understanding of areas that might not be well captured with the quantitative part. The significance of resultant qualitative data was tested with correlation and multivariate analysis using IBM Statistics SPSS tool version 21 functionality.

Results

Quantitative research summarized observations from the overall effect of the product, people, price, place, process, physical evidence, promotion (referral in this case), customer satisfaction index, performance, and the net promoter score, revealing that over three years, customers served with the questionnaires were well disposed to the company's products, people, physical evidence and therefore resulted in a high level of customer satisfaction for most of the customers. However, the majority of the customers rated the company very low in pricing which may become a significant determinant of how much business the company will do in the future.

Table 2: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Product	100	0	5	4.15	.869
People	100	0	5	4.10	.969
Place	100	0	5	3.61	1.333
Price	100	1	5	2.74	1.404
Process	100	1	5	3.91	.933
Physical Evidence	100	2	5	4.01	.674
Referral	100	0	5	4.26	.906
CSI	100	30	100	78.02	12.433
Performance	100	0	2093066	351675.96	392263.496
NPS	100	0	10	8.52	1.812
Valid N (listwise)	100				

Qualitative aspects on the questionnaire mined customer perceptions that represent how the responding customer sees the organization and how they believe the company can be improved to meet their expectations and is presented as a summary in the table below. Content analysis of qualitative data recognized three areas of the customer feedback as gathered via the customer satisfaction survey questions as areas of positive feedback, areas of negative feedback, and areas of customer recommendations

The qualitative analysis helped the study to come up with constructs that described what customers expect and experience in a manufacturing organization.

Table 3: Qualitative Response from Customer Satisfaction Survey

	Areas of Qualitative Customer Feedback	Frequency	%
Negative Feedback	Delayed Delivery	10	2%
	Short credit term	1	0%
	Poor Pricing	60	12%
	Delayed Complaint Resolution	5	1%
	Non-availability of Products	13	3%
	No Response	88	18%
	Short Baling	2	0%
	Poor incentives	1	0%
	Poor Quality	9	2%
	Defective Bag	2	0%
	Customer Experience	1	0%
Positive Feedback	Excellent Quality	78	16%
	Prompt Delivery	5	1%
	No Response	3	1%
	Excellent Customer Service	3	1%
	Excellent Relationship Management	1	0%
	Great Brand	2	0%
Customer Recommendations	Continuous improvement	16	3%
	Improve Credit terms	30	6%
	Improve Competitiveness	60	12%
	Prompt Complaint Resolution	4	1%
	Improve product availability	11	2%
	Improve Delivery	15	3%
	Pay more attention to market requirements	4	1%
	Improve Incentive Scheme	9	2%
	No Response	13	3%
	Improve Brand promotions	6	1%
	Effective Customer Care Services	11	2%
	Maintain Quality	21	4%
Total Feedback from Sample		484	100%

Discussion

What are the identified areas of customer feedback in the manufacturing sector?

The study identified the areas of customer feedback grouped into positive customer feedback, negative customer feedback, customer recommendations and customer silence. Being different from the service sector, the customers of the manufacturing company gave feedback on the tangibility of the product as well as all other aspects of the marketing mix.

How do the identified areas of customer feedback in the manufacturing sector influence marketing effectiveness?

16% of their qualitative feedback revealed that customers perception rated the company very highly and would continue to buy without going to the competition. The company was rated well above average across all indicators considered, however customer perception about the suitability of pricing remained barely above average. A whopping 12% of the customers asked for improved pricing, a signal that customers are not well disposed to the company's competitiveness. Similarly, many respondents remained neutral in the areas of negative feedback signalling the possibility of multiple uncommunicated dissatisfactions. This might have passed unnoticed, analysis, however, showed that more customers kept neutral in the areas of negative feedback (16%) than in positive feedback (1%) and customer recommendations (3%).

Reviewed retained documents revealed that the marketing team continued to analyse customer feedback annually. Thus, evidently from the records, customer feedback ignited consistent management debates about how to satisfy the customer and how to retain them from switching loyalty. The marketing team were continuously innovating to roll out new products that kept old and new customers coming hence negative feedback about pricing did not significantly influence a noticeable decline in sales performance. The positive feedback helped the marketing team to continue to harness advantage in the areas where customers hailed the company while continuously innovating to improve in the negative ones.

What is the correlation between customer feedback and sales performance?

There was a positive correlation between customer feedback and sales performance. Customers rated several aspects of the company's offerings well in the following areas of its marketing mix: product, place, promotion, people, process, and physical evidence except for pricing where the overall rating was barely above average. Just like the customer's perception of the company's products was improving, sales performance improved with only very few cases of customer attrition.

Conclusion and Recommendations

The study confirmed the efficacy of customer feedback to the effectiveness of marketing activities in manufacturing organizations. Aligning to Eklof et al (2020), the study found that though customer feedback may not immediately predict sales performance, it gradually determines customers' perception of the product and service which will eventually influence performance in the long run. It is important to note that the easier it is for new entrants to thrive in the company's field of expertise, the more certain that customer dissatisfaction will lead to attrition from marketing ineffectiveness. Monitoring the level of customer satisfaction in manufacturing organizations is an appropriate tool for marketing and would help in the following areas:

1. Marketers will discover areas where the customers are dissatisfied and act on them promptly.
2. There will be enough information and visibility to explain customer attrition.
3. There would be an opportunity to tackle the right customer problems from harvested information instead of chasing shadows with marketing spending.
4. Sustainable market competition is enhanced because of good direction and useful marketing activities that would result.
5. Increased patronage, customer retention and profitability are assured both in the short and long run.

In a nutshell, the effect of customers' feedback on marketing tends to concern itself more with the pricing and product elements of marketing than the others. However, from quantitative observations, Product, Price, Place, Physical Evidence and Promotions were all significantly influenced by customer feedback whereas the influence of customer feedback on People and Process elements were not statistically significant.

The ability to churn out products perceived to be of very high quality is a great determinant of sustainable customer patronage. However, the ease of new entry into the business with similar strength and capacity to produce and give value to these customers may be a turning point for marketing effectiveness and may eventually extend to becoming a determining factor for continued organizational existence.

Understandably, other factors related to the economy may not be friendly, organizations must be careful at how economic indices quickly form the basis for price change. Rather than change prices explained away in the deterioration of economic indices and in quick successions that weary customers, manufacturing organizations should look inwards to maintain prices while improving operational efficiency. All the customers cannot be wrong when they complain of competitiveness, it is only a sign that they are getting the same products at a cheaper rate somewhere and may be forced to stop buying if the trend continues.

The following recommendations should be handy for every manufacturing organization:

1. Monitor customer feedback as a going concern to continuously understand by identification new and developing interests and concerns of the customer
2. Monitor market trends regularly and compare them to in-house peculiarities
3. Discover new and cost-effective ways of doing business
4. Consistent review of suppliers and vendors' prices with prevalent market conditions to know where competitors are making savings
5. Develop new products and brands to fit into the buying ability of different customers.

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