Inter-Agencies Rivalries and Impunity amongst Security Agencies in Nigeria: Implication for National Security

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Abstract

Impunity and unethical conducts exhibited by Security Agencies in Nigeria during conflicts and non-conflict settings demands accountability and responsibility for human rights violations. Given the prevalence of inter-agencies violence in Nigeria and its security implications, this study tries to achieve the objectives of determining the premises, which underlie the impunity of security agencies in Nigeria; to determine the characteristic features that captures the impunity of these security agencies during inter agencies' conflicts and to determine if this trend of inter agencies belligerencies is a sign of growing discontent. To achieve these objectives, this paper draws its theoretical framework of analysis from the socio-psychological perspective on collective behaviour, a view that finds support in the foundations provided by the Frustration-Aggression theory, which has been successfully used to explain several societal and organizational violations. Using this framework, this paper argues that the belligerences between security agencies in Nigeria can be explained by the power contestations between security agencies in the socio-political environment, that has thrown up a structured "group complex" where some agencies possess greater access and control of state power and decision mechanisms, which it thus, uses to the detriment of others. The study reveals that negative outcomes such as impunity, conflicts and other forms of aggressive behaviour, are the result of certain frustrating antecedents. The paper recommends that government should functionally and mentally engage the Nigerian Security Agencies in nation building activities other than only those relating to protecting the nation from external aggression, carry out value orientation programmes aimed at bridging the gap between members of the security agencies in terms of the "we" and "them" perceptions

INTRODUCTION

Nigeria, Africa's most populous nation with 36 federal states and 774 local government areas, is caught in a cycle of conflicts of various dimensions. This country of about 250 tribes has witnessed perennial clashes of different types but principally civilian versus civilian (Christians and Moslems, inter and intra communal clashes), security agencies versus civilians and security agencies versus security agencies. But of much concern is the belligerence between security agencies, which has not only resulted in loss of many lives and property, but has raised several questions, given the security implications of the conflagration of these conflicts. An interesting but worrisome feature is the character of impunity exhibited during such conflicts as well as in the post conflict contest that demands accountability and responsibility for human rights infringements.
The prevalence of various forms of conflict in Nigeria has resulted in her been classified as one of the least stable and insecure countries in the continent and reputed to have one of the world's highest casualty rates from internal conflicts even in the absence of civil war (CIDCM,2000).

The history of Nigeria's political development is tainted with what can best be described as opportunity lost. Since gaining independence from Great Britain in 1960, Nigeria has been crises-ridden and unstable as shown by the fact that out of the successive regimes since independence, seven have been military regimes of which five gained power by coup d'état. There were also a number of unsuccessful attempts to topple military governments, but these were crushed and the plotters either executed or jailed for long terms. Not being grounded in the political economy of governance and desirous to protect the days' regime, military governments often spent enormous amount of resources on security agencies but this was largely concentrated on senior members of the ruling junta and their cronies. This polarized the security agencies and created deep-seated animosity, hatred and envy. The activities of past military governments gradually led to the militarization of the Nigerian society. With the combined effects of bad leadership, traditional norms and values supportive of peace, gave way to a culture of violence and impunity on the part of security agencies and the civil populace. It is against this setting that security agencies operated prior to Nigeria's return to democratic rule in 1999. Thus, the return to democratic rule was characterized by series of debilitating crisis and conflicts; and the associated loss of lives due to sporadic violence have been estimated at hundreds of thousands (Otieno, 2003).

Although, the country has had to contend with waves of violence, the Nigeria Police Force has demonstrated its inability to contain the tide. This scenario is also a by-product of the militarization argument. Faced with severe under-funding, corruption and inefficiency, the syndrome of impunity became rife within the rank and file of Nigeria's law enforcement agencies. Evidently out of governance and currently having little influence over the budgetary allocation of funds (hitherto the prerogative of the leading security agencies especially the army under military dictatorships), a school of thought reasons that relative deprivation is a significant antecedent of the emerging frustration and aggression, which has painfully engulfed the various agencies that make up the security apparatus of the Nigerian State.

Research Questions

The following are the research questions

(i) What premises underlie the impunity of security agencies in Nigeria?

(ii) What characteristic features capture the impunity of security agencies in Nigeria during inter agencies' conflicts?

(iii) Is this trend of inter agencies' belligerence a sign of growing discontent'?

Objectives of Study

The study has the following objectives

(i) To determine the premises, which underlie the impunity of security agencies in Nigeria.
(ii) To determine the characteristic features that captures the impunity of security agencies in Nigeria.
(iii) To determine if this trend of inter agencies' belligerence is a sign of growing discontent.

Significance of the Study

It is strange to observe that much less attention has been given in the past to exploring the dynamics of impunity and conflicts between security agencies, which portends grave danger for the stability of any given state or polity. This paper argues that the belligerence between security agencies in Nigeria can be explained by the power contestations between security agencies in the socio-political environment, which has thrown up a structured **"group complex"** where some agencies possess greater access and control of state power and decision mechanisms, which it thus, uses to the detriment of other agencies. This paper help to enrich scholarly understanding of the psychological underpinnings that underlies the unique but delicate relationship between security agencies in a terribly impoverished nation state like Nigeria. This paper therefore, serves as a revealing response to the call for the accumulation of research evidences that expresses and explains reasons for unguided pugnacity and sporadic conflicts between security agencies in Nigeria.

THEORETICAL FRAMEWORK OF ANALYSIS

This study relies on the socio-psychological literature to draw its theoretical framework. It mirrors the concept of impunity and conflicts through the lens provided by the Frustration -Aggression Theory by Dallad Hobbes (cited in Berkowitz, 1989, 1993). The model begins with the notion that human beings aspire to gratify wants, desires, aims and ambitions which are sometimes blocked by an external barrier that precludes gratification leading to irritation and anger. Hence Rummel (1997) equated aggression with the desire to hurt or injure others especially those who make it difficult for them to achieve their goals. The model further hypothesized a direct positive proportionality between the instigation to aggression and the amount of frustration inadvertently generated. This depends on the strength of the drive toward a goal, the degree of interference and the number of frustrated responses that is subsequently provoked. The resulting instigation to aggression will be directed toward the perceived agent of frustration (displacement), and the act of aggression reduces instigation to stark and open aggression.

Emotion researchers have proposed a variety of requisite causes of anger including a thwarted goal or frustration, stress or danger, a serious or personal threat appraisal, subsequent coping processes and an appraisal of a given situation as immoral (see Mandler, 1984; Gaylin, 1984; Averill, 1982,; Rubin, 1986; Derivera, 1977). A major element of frustration-aggression theory concerns the redirection of aggression. The protagonists proposed that a particular frustration instigates aggression primarily against the source of the frustration but also instigates aggression against targets that are to some degree related to that source. The strength of the instigation was seen to vary as a function of associative ties between the actual source of frustration and the alternative target. Consistent with the theory, various findings have been reported that denials of gratifications suffered during childhood can accumulate to intense juvenile frustration, and the struggle of the working class can build up to levels at which it incites revolution (see Lagerspetz et al, 1988; Gibson and Barsade, 1999).

ANTECEDENTS OF FRUSTRATION AND CONFLICTS AMONG SECURITY AGENCIES

Political Context: Power Relations, Impunity and Conflicts between Security Agencies

One of the earliest decisions taken by former President Olusegun Obasanjo on assuming office in 1999 was to establish a Truth and Reconciliation Commission, otherwise known as the Oputa Panel (after Late Chukwudifu Oputa who chaired the panel). It was modelled after the South African Truth and Reconciliation Commission with a mandate to inquire into allegations of torture and murder against various military governments since 1976. Sadly, the panels' activities were hampered by the behaviour of three former military dictators; Generals Mohammadu Buhari, Ibrahim Babangida and Abdusalami Abubakar who refused to appear before the panel. In the end, the noble objectives the panel set out to achieve have been destroyed.

Concurrent with the establishment of this panel was the decision to reduce the size of the Nigerian Army, which officially consumes 8.1% of total recurrent expenditure and 3.7% of capital expenditure. The recommendation by then Defence Minister, General Theophilus Danjuma for a reduction from 80,000 to 50,000 men was trivialized by politics of ethnicity and resistance. While reform of the armed forces in their entirety was desired, it was the Army that was viewed as having the greatest capacity and propensity to threaten Nigeria's fledging democracy. Thus, generous perks were provided to the upper echelons of the Army and this appeared to have caused discord with the junior ranks. This predictably led to disgruntlement in the Service, with negative implications for civil—military relations.

Psychological Context: Dominance, Pecking order, Primates and Humans

When explored from the temperament and needs perspective, aggression towards others has been associated with behaviours towards dominance and is a characteristic behaviour of primates and humans. In a structure such as that represented by the network of security agencies, feelings of superiority are expected to elicit behaviours that are directed to demonstrate dominance and by so doing, establish a pecking order.

Table 1: Temperamental component of Dominance versus Submissiveness

Dominance	Submissiveness
Self-assertive, confident	Submissive, unsure
Boastful, conceited	Modest, retiring
Aggressive, pugnacious	Complacent
Extra-punitive	Impunitive, intropunitive
Vigorous, forceful	Meek, quiet

Willful, egotistic	Obedient

Cattell (1965:143-146)

In other animals, the dominance pattern has been found associated with masculine sexual aggression, grabbing food from others, and bullying. In apes, this temperament includes initiating most-fighting and aggressive behaviour, never cringing or afraid under aggression, mounting subordinates regardless of sex, pre-empting food supply, being more active, initiating more play, and doing more grooming.

The dominating temperament is strongly self-assertive, confident, and adventurous, but also tends to anger, quarrelsomeness, and destructiveness. As would be expected from our experience with aggression among primates, dominance as a form of aggression is most manifest in males. Among females dominance becomes a composed (versus shy or bashful), poised, and to a lesser extent, reserved, secretive, and independent minded temperament.

It has been observed that motivation to be temperamental is inspired by various stimuli. We have urges, drives, or needs that contribute to aggressive behaviours. Needs when actualized; reflect in a form of cluster of dispositions associated with specific emotions (such as feeling hungry), a common goal (food), provocative situations and goal gratification. Additionally, the incidence of needs depend on the constitutional nature of a person in addition to the history of how a given need has been satisfied. Moreover, the strength of the actualized need depends on a person's physiological state in relation to the degree of associated goal gratification. In the same vein, a drive is that part of an actualized need, which refers to a purely physiological urge in relation to the physiological gratification received. Need is therefore, the broader concept, not only involving the drive, but also the constitutional and hereditary nature of the individual.

A variety of empirical analyses and researches have established the existence of several core needs relating to sex, hunger, protectiveness, curiosity, security, dominance and self-assertion. Therefore, abundant evidences exist for the urge to express pugnacity, superiority complex between security agencies in Nigeria, which instigates deep-seated animosity among these agencies and the proclivity for wanton use of force and aggressive behaviour against each other in times of conflicts. This clearly explains their urge to fight, hurt, attack, damage, destroy, or get revenge when provoked. Evidently, this involves undue and avoidable conflicts, hostility and display of deep emotions of rage and anger even at the slightest provocation.

Economics Context: Relative Deprivation and Conflicts

Available literature reveals that there is a raging controversy about the nature of the relationship between poverty and conflict. One school of thought posits that poverty leads to and could cause conflicts, while others feel quite differently. Although one is constrained to admit that the relationship between poverty and conflicts is blurred, there is growing tendency to accept the fact that the link is true and recursive.

Padrigu (2002) classified poverty into five realms although only two are relevant to this paper. He notes quite succinctly that absolute poverty occurs when human beings live in a state of deprivation due to meager income or lack of access to basic human needs, which include food, safe water, sanitation, health, shelter, education, and information. The second relevant type according to Padrigu is relative poverty, which defines poverty from a comparative point of view. We can deduce from these definitions that the operational word in the conceptualization of poverty is that it is a state of deprivation or more aptly lack of access to vital resources. Also, two individuals can be poor, but the mindset feeling of "self-others" can create feelings of superiority in access to resources. The arguments can also be extended to the organizational context where one unit of an organization maybe relatively "wealthier" or "poorer" than another.

It should be noted that the notion of resources as expressed in this paper goes beyond the economic sense of production of resources to include ideas and knowledge. But what is generally accepted is that relative deprivation has been associated with conflict, aggression and violence. Hence Rummel (1997:24-44) defined relative deprivation as "an actor's perception of discrepancy between their value expectations and their value capabilities." It exist as a gap between that "to which people believe they are rightfully entitled" and that which "they think they are capable of getting and keeping". First, between what people want and what they get, there is usually a gap, which is normally accepted, rationalized, and justified within society. If society is progressing and conditions are improving in some sense, people's wants will increase, but so will gratification. However, a sharp downturn in gratifications, such as that due to a sudden economic depression, widens a gap between what people want and get, reversing their expectations of satisfying their wants. Frustration is thereby created, and the probability of violence is drastically increased. Thus, violence "becomes increasingly likely when any kind of basic need which has come to be routinely gratified suddenly becomes deprived" (Rummel (1997:24-44).

In the context of how relative deprivation may provoke emotions of frustration and perhaps anger, researchers have offered varied explanations. Rummel posits that deprivation is subjective and a function of a person's perception, needs, and knowledge. Rummel cautioned that to nail deprivation to an objective or absolute lack of something such as freedom, equality or sustenance, is to ignore the crucial definitions of this shift, which relates to historical facts, period, culture, society, position, and the person's pedigree and expectations.

The literature on these principles and on relative deprivation is well organised in Gurr's researches on Why Men Rebel and Comparative Study of Civil Strife (see Gurr, 1969). The idea of relative deprivation has been used to measure fairness, inequality or social justice and to explain grievances, social hostility or aggression. Gurr's concern and that of Rummel were directed at relative deprivation as a cause of aggression. Gurr's notion of relative deprivation links subjective wants and perceived justice on the one hand, with perceived capabilities on the other. Frustration then results from inability to gratify a just or realistic Want. And this frustration creates the potential for collective violence (aggression). Their basic proposition is that relative deprivation cause frustration, the intensity and scope of the frustration in turn leads to and creates the potentials for very intense collective violence. With relative deprivation, the initiation phase of manifest conflict involves a trigger provoking the will for any aggrieved person to react aggressively and the occurrence of such a mechanism depends on the balance of powers an individual perceives between himself and others. Consequently, a sense of injustice is no guarantee of action. This is also true of Gurr's model, in which the transformation of the potential elements of threat to any given reaction or response that eventually manifests largely depends on the balance of powers at work at any given time.

Thus, out of manifest conflicts a balance is formed among the diverse interests held by people on the basis of their capability and Wills. There ensues adjustment among the diverse vectors of injustice, an adjustment based on subjective perception and expectations honed by the reality of others. Conflict and the resulting balance form a structure of expectations that enables different views of injustice and different classes to live together. As with Gurr, Davies (1973) assumes a frustration-aggression mechanism in connecting deprivation to violence. He asserts that "Violence is always a response to frustration" Davies (1973:234).

Runciman (1966) proposed a strictly sociological theory of relative deprivation in which frustration has no role. Relative deprivation he opined is a sense of inequality resulting from a comparison with some reference group. The choice of this group is crucial, for it would be possible to choose in such a way that one's sense of deprivation, or lack of it, does not reflect objective inequalities. According to Runciman, the sense of deprivation must be related to the dimensions of inequality existing in society. These he sees as class, status, and power. Deprivation along one dimension may not be matched by deprivation along another, nor is actual inequality along a dimension necessarily matched by the sense of deprivation felt. Runciman applied his theory to the relative deprivation of the manual working class in England, both historically and to sample survey data he collected. He found that the magnitude and frequency of relative deprivation in class were seldom correlated with objective class inequalities for manual workers.

Moreover, in the Nigerian context, such conflicts are further aggravated by the knowledge that members of the Police Service through an institutionalized system of corruption enrich itself covertly through bribery and overtly through extortion. Thus, the mere fact that a military personnel is a passenger in a bus that happens to have been unnecessarily delayed in the usual stark and arrogant process of extortion by a Police officer at a checkpoint, could spontaneously spark off a severe spiral of conflicts if he happens to be challenged by the military man now inadvertently been affected by the undue delay.

Finally, the relative poverty argument manifests itself in the military services as with poor conditions of service just as it is in other security agencies. Sankara (2005) for instance pointed out that men and women of the Nigerian Police, many of whom have to pay their way to join the Police, trained under one of the most inhuman conditions imaginable, as attested to by the state of the Police colleges and after training, buy their own uniform, boots, writing materials, torchlight and all other working tools. In line with Sankara's argument, it is unfortunate that the welfare package for Nigerian security agencies is either extremely poor or non-existent. Thus, their violent reaction when provoked provides enough credence to Davies' earlier assertion that "violence is always a response to frustration" (Davies, 1973:234).

CASE STUDY

The Incidence

On 4th October, 2005, a major clash occurred in Rivers State between the officers of the Nigeria Police Force and those of the Nigerian Army that left in its wake loss of lives and properties. The clash arose when a military personnel riding on a commercial motor bike refused to allow a Police Officer at a checkpoint extort money from the bike operator. The clash left at least five persons dead with extensive damage to properties. The Area "C" Police station and vehicles belonging to both officers and private individuals were set ablaze, while dangerous criminals in detention were released.

Inquiry

A five man panel of inquiry led by Justice Emmanuel Adegbite (Rtd) was set up on November 15, 2005 to among others: ascertain the immediate causes of the clash; estimate the extent of damage; identify the culprits; recommend appropriate sanctions and compensations; recommend for the control and use of firearms and ammunitions and make recommendations for prevention of future occurrences.

Testimonies

At the committee sittings, Usman (2006) reported the presentation of 122 exhibits; comprising 53 from the Police, 44 from the Army, 33 witnesses from the Police, 21 from the Army; 12 from civilians and five from independent sources. Blames were commonly traded among the Police and Army on who was responsible for the deadly crisis.

Submissions by the Nigerian Army

Lt. Col Frank Adaka, on behalf of the Army denied the killings and razing of "Area C" Police Command in Rivers State and that while the crisis lasted, their men were all in the barracks. Additionally, he stated that their investigation showed that hoodlums were responsible for the destruction. However, a soldier at the centre of the controversy, one Private Tajudeen Agbabiaka, attached to the Army Band Corp and School, Albati Barracks in Rivers State, traced the genesis of the clash to when he left the barracks for an engagement outside and that at a checkpoint 7 men in Police reflective jackets demanded bribe from the motorcyclist carrying him to which he objected and asked the cyclist to move on. But surprisingly, one of the Policemen hit him with the butt of his rifle on the cheek and injured him. On noticing that the officer's attention was diverted, he disarmed him and they fled. He therefore, reportedly gave the rifle to his colleague, one Private Adekanye, to return to the barracks while he proceeded to lodge a complaint. When asked by a panel member if it was right to have confronted another security officer publicly, Agbabiaka in agreement echoed: "that is the mistake I made".

Brig. General Jonathan Aremu, Chief Consultant Surgeon of the Nigerian Army, Medical Corps and School, Bonny Camp, while testifying attributed the crises to gross indiscipline that has eaten deep into the rank and file of the two services. Brig. Gen Jonathan Aremu recommended regular inter-service meetings for their men. The Army through its counsel frowned at a situation where their personnel are detained for more than necessary by the Police. They prefer the situation whereby a military man arrested should be taken to his base where disciplinary action would be taken against him if found culpable.

In addition, Lt. Col Frank Adaka did not hide his disdain for the spurious attitude of Policemen when the issue of extortion came up. "We should not pretend as if we don't know what is going on. If you do that to civilians, they will only complain, but if you do that to fellow uniform men, there is bound to be clash. I say again that it has become a pervasive culture among a number of Policemen; a culture that assumes that they have the right to extort. He also noted that they even shoot people in the process without question.

It was also observed that the lower ranks do not know the badges of ranks of officers other than that of those in their own organization and this has to a large extent made them to disrespect officers of sister agencies, which in turn could lead to severe conflicts.

Submissions by the Nigeria Police Force

The Lagos State Police Commissioner, Mr. Emmanuel Adebayo, bemoaned the situation where soldiers easily storm Police stations to forcefully release offending members of the military, irrespective of the offence committed. He cited the incidence in which the then Area Commander Mr. Fabian Ojiri was beaten to stupor by soldiers resulting in his loss of his teeth.34 He reminded the panel that offending military personnel were subject to bail after arrest for offences committed. Again by Force Order 305, "when an offence is committed by a member of the Nigerian armed forces, the Police Officer-in-charge of the division in which the offence is committed shall forward to the Commissioner of Police, by the quickest means, for onward transmission to the relevant military authorities, full details of the officer's name, rank, unit and the offence committed. Secondly, the nearest military formation even if different from the offender's detachment shall be informed as well. Military offenders are entitled to bail like civilians who commit same bailable offences he affirmed.

In addition to the above, the Police counsel Mr. Ozorama submitted that the numerical strength of the Nigerian Army should be drastically reduced particularly now that the country is in peacetime and considering Nigeria's current poor state of the economy. He opined that the Federal Government should concentrate on building a small quality Army as against having an amorphous or ponderous Anny.

DISCUSSION AND ANALYSIS OF THE CASE STUDY

It must be stated that bloody conflicts between security agencies in Nigeria are varied and not limited to the military personnel and those of the Police Force as this unique case study portends. Evidently, there are numerous other very vicious conflicts that have been experienced in time past between the military personnel and the Customs and Immigration Officers; between the Police on one hand and either the Customs or Immigration Officers; and most astonishing enough, between the Customs and Immigration Officers. However, with the testimonies offered in this specific case study by representatives of the Nigerian Army and the Nigeria Police Force, certain salient issues can be discerned and discussed.

Firstly, it appears that members of the security agencies do not restraint themselves in visiting impunity against each other. The use of gun butt by the Police officer on Private Tajudeen Agbabiaka was not only an aggressive act but also a reckless smack of impunity. On the other hand, the effrontery demonstrated by Private Tajudeen Agbabiaka in disarming the police officer who reportedly hit him on the cheek tells several stories about the unnecessary show of superiority complex, obviously outside the impunity argument. First, it shows that impunity radiates through the rank and file of the Nigerian Army. It also suggests that there exist among members of the Nigerian Army, the feeling of superiority relative to the Nigerian Police and other security agencies. This behaviour is consistent with the dominating temperament personality postulated by Catell (1965) as being self-assertive, aggressive, extra-punitive, forceful, willful, tends to anger, quarrelsomeness, and destructiveness.35 It lends further credence to the hypothesis that show of aggression, which is characteristic of primates and humans is clearly a dominance expressing trait. The violent deployment of arms and ammunitions and invasion of Police armoury during clashes between the Police and Army appears to be an attempt to establish dominance over the Police and then disdainfully deprive the Police of the use of its Weapons.

The superiority-inferiority complex hypothesis is further amplified by testimonies from senior officers of the Nigerian Army. The Army counsel frowned at a situation whereby the Police detain their personnel for more than necessary. Although the term "more than necessary" is not defined, it suggests that the Nigerian Army perceives the Police and other security agencies as being of inferior status and lacking the capacity to discipline erring members of the Nigerian Army.

The preference by the Army for its men and officers arrested for various offences to be handed over for disciplinary action (if found guilty), completely ignores the fact that some of the offences might be of criminal nature for which the Police are constitutionally empowered to handle. This viewpoint is corroborated by the Lagos State Commissioner of Police who asserted as earlier indicated that:

> *He reminded the panel that offending military personnel were subject- to bail after arrest for offences committed. Again by Force Order 305, when an offence is committed by a member of the Nigerian armed forces, the Police Officer-in-charge of the division in which the offence is committed shall forward to the Commissioner of Police, by the quickest means, for onward transmission to the relevant military authorities full details of the officer's name, rank, unit and the offence committed. Secondly, the nearest military formation even if different from the offender's detachment shall be informed as well. Military offenders are entitled to bail like civilians who commit same bailable offences.*

Secondly, it does appear that the Army's preference for an in-house disciplinary procedure is an attempt to avoid "humiliation" in the hands of the Nigerian Police for whom they have so much contempt. It may not be fallacious to posit that it is an attempt by the Nigerian Army to cover up acts of impunity by its men and officers especially when such acts are perpetuated against members of the Nigerian Police Force.

Thirdly, the mindset of the Nigerian Army and how this may have resulted in frustration is also revealed in the testimonies of Lt. Col Frank Adaka. Earlier in his submission, he attributed the destruction of the Area "C" Police Station to hoodlums and claimed that while the mayhem lasted, men and officers of the Army were in their Albati barracks. However, when the issue of extortion leveled against the Nigerian Police came up, he asserted that:

> *We should not pretend as if we don't know what is going on. If you do that to civilians, they will only complain, but if you do that to fellow uniform men, there is bound to be clash- I say*

again that it is perverse culture among a number of Policemen, a culture that assumes that they have the right to extort. They even shoot people in the process.

His opinion shows that the Army feels frustrated that the Federal Government appears incapable in checking the impunity with which men and officers of the Nigerian Police extort money from the public. The army feels duty bound to use whatever means it deems fit to redress the spurious activities of officers of the Nigeria Police Force.

On the other hand the assertion that "…it is a pervasive culture among a number of Policemen, a culture that assumes that they have the right to extort", may indicate that the Army feels alienated in the culture of extortion that the Nigerian Police exhibits with impunity. This feeling is compounded by the fact that in the present civilian government, the Police have relative advantage in terms of budgetary allocation. Support for this view is provided by the relative deprivation argument, which in the literature has been correctly associated with conflict, aggression and violence. Thus, the Army does not see anything wrong in visiting aggression on the Nigerian Police or any other security agency whenever the opportunity arises. It may also support the hypothesis that such punitive acts against the Police is in retaliation for Police aggression against the defenseless public given the Army's accusation that the Police wantonly shoot people in the process of extorting money. The feeling of relative deprivation can also be applied in making inferences about the antecedents of the conflict in the sense that the Army perhaps feels either awfully disappointed or deprived in the extortionist game in which the Police are having a field day given government's inability to stop the nefarious act.

Fourthly, the police seem to have accepted in principle, its subservient position to the Nigerian Army, hence the admonition by the Police counsel that …"swaggering by officers and men in apparent show of power and superiority over members of the Police Force is unnecessary and should be discouraged". When interpreted and situated within the conflictual state between the two security agencies, this and other comments by Mr. Ozoroma, offers insights into what the Police Force think of the Nigerian Army.

CONCLUSION

In Nigeria, conflicts between security agencies have become regular occurrences and this has taken its toll on lives and properties of particular rinterest is the debilitating conflict between Police and which has enormous negative implications for ***es spirit de corps*** and national security. This study examined the emergent trend within the context of frustration-aggression. It argued that being out of governance; the Nigerian Army has suffered deprivation relative to the Police whom it perceives as subordinate in the hierarchy of security agencies. This has resulted in deep-seated frustration that touches on emotions leading to violence at the slightest provocation. Besides, the study posits that the Army's desire to maintain dominance and the feeling of superiority complex makes the Army hold the Police and other security agencies in contempt- Therefore, for the sake of national security and tranquility within the Nigerian economic and socio-political space, there is an urgent need for sustainable peace to exist between the security agencies in the country and to that extent, the under listed therapies are herein proffered.

RECOMMENDATIONS

(a) Government should functionally and mentally engage the Nigerian Army in nation building activities other than only those relating to protecting the nation from external aggression.

(b) It is also suggested that the government should carry out value orientation programmes aimed at bridging the gap between members of the security agencies in terms of the "We" and "them" perceptions. While finding a lasting solution to the ever nagging problems of general poor conditions of service and non-existent welfare package for all the security agencies is a sine qua non if the government's war against corruption would succeed; and most especially as it has been unequivocally proved that a strong nexus exists between poverty and conflicts.

(c) Moreover, there is an urgent need for the High Commands of security agencies in Nigeria to affirm strict control over the issuance and use of firearms and ammunitions especially by the rank and file.

(d) Equally, very crucial is the suggestion that senior members of all Nigeria's security agencies particularly the three arms of the military and the Police should refrain from tolerating the syndrome of intransigence and impunity of subordinates especially when such acts of irresponsibility impinges on the self-esteem of other security agencies.

(e) In addition, the High Commands of security agencies should institute a forum for enlightening their subordinates and constituencies on the limits of perceived "immunity" from Police prosecution and legal justice when criminal acts are involved.

(f) Similarly, the currently in-force joint courses and training at NIPSS, the War College and other Institutions of Strategic Training, along with Joint Sports Festivals, which Will engender peace, tranquility and the spirit of liaison amongst the rank and file of security agencies in Nigeria should be maximally encouraged and sustained.

(g) Furthermore, the Federal Government by its actions and treatments of the security agencies should endeavour to diminish the tendency to impress a pecking order among the security agencies in Nigeria. Therefore, principal appointments into positions meant for security agencies should be rotated among the respective agencies in order to maintain both peace and a sense of equilibrium in their separate perceptions of organizational power and importance.

(h) Finally, the convocation of annual national retreats for very senior officers of security agencies in the country, which was first inaugurated in April 2005, should be sustained. It is expected that this would continue to serve as a veritable meeting point for all security agencies to exhaustively brainstorm and fashion out therapeutic strategies to their perennial experiences of preventable bloody conflicts.

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Saving and Consumption Patterns, Implications for Retirement in Nigeria

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Abstract
This paper analyzes the economics of saving and consumption and its implications for retirement planning in Nigeria with special emphasis on the life cycle models of saving and spending patterns of the individual worker over a period of life time. The policy stance of this paper upholds the fact that it is never too untimely to initiate saving for retirement. To a greater extent, it is highly desirous to sustain a retirement saving plan needed to prepare for a financially secured retirement future. The paper thus recommends the need for increase in the marginal propensity to save in proportion to income and a reduction in the time-lag between making a claim and receiving retirement benefits.

Keywords: *Saving, Consumption, Life-cycle Model, and Retirement*

INTRODUCTION

In economics, saving is income less consumption. The marginal propensity to save is the rate of saving. The rate of saving is directly related to interest rate. The process of retirement planning stimulates saving practices. Retirement planning therefore refers to the allocation of savings to offset consumption after stopping employment with the aim of achieving financial independence. Hence, pension is saving for the future (King, 1985; Bertaut and Haliassos, 1997; Olaniyan, 2004; Maituare, 2005).

In recent years, pension funds take the focus of the general public. This is as a result of the fact that it is a social security and welfare package for the retired public and private workers, against poverty in their years of retirement. However, in Nigeria, pension funds are either out rightly unpaid or delayed in conjunction with the socio-economic challenges of pension scheme in terms of scarcity of funds, corruption and embezzlement. These have led in most cases to short life span of the Nigerian retiree (Rabelo, 2002; Olaniyan, 2004; Orifowomo, 2006; Ezeala, 2007; Owolabi, 2005; Ogbonna and Opara, 2008). In line with the foregoing, the paper aimed at analyzing the role of savings in defending consumption at retirement in Nigeria with particular emphasis on the life cycle models of saving and consumption patterns of individual worker over a period of life time. The next section reviews the theoretical literature, section three presents the retirement and pension scheme in Nigeria in relation to the life cycle models of consumption, section four presents the policy implications of the economics of saving for retirement and section five concludes with the policy stance.

THEORETICAL LITERATURE

There are fundamental theories of consumption and saving patterns namely, the life-cycle theory (Modigliani and Brumberg, 1954; Modigliani and Ando, 1957; Ando and Modigliani, 1963) and the permanent income theory (Friedman, 1957). The permanent income theory is rooted on the observation that individuals attempt to maximize their consumption by balancing a lifetime stream of earnings with a lifetime pattern of consumption. Thus, it is an economic theory attempting to describe how individual households spread consumption over their lifetimes. In the theory of permanent income, the principal determinant of consumption is the individual's lifetime income. Permanent income is the expected long-term average income. Assuming the rational income earner experience diminishing marginal utility, such individual worker would want to smooth out consumption over time by inuring debt and simultaneously securing savings for retirement.

The permanent income of the individual worker is determined by savings in the form of assets; both physical (shares, bonds, property) and human (education and experience). These influence the worker's ability to earn income. In effect, the distribution of consumption across consecutive periods is the result of an optimizing method by which each consuming individual worker tries to maximize own utility (Borsch-Supan and Stahl, 1991; Borsch-Supan, 1992; Crown, 2001). The life-cycle observation upholds the fact that consumption needs and income are often unequal at various stages of the life cycle. At young age, individual workers tend to have consumption needs that exceed their income, and therefore they have little savings. In middle age, earnings rises, enabling debts accumulated earlier in life to be paid off and savings to be accumulated. In retirement, income declines as individuals consume out of previously accumulated savings.

Pension payments are probably the best example of decumulation of savings in the retirement stage of the life cycle. Thus, as retirees receive pension payments, they draw down their pension wealth. Under social security and benefit pension plans, older persons have established a claim on a future stream of income payments that is generally some function of each person's earnings history and life expectancy. After accounting for personal contributions and withdrawal of benefits from pensions, Jappelli and Modigliani (1998) found evidence of a hump-shaped pattern of savings that is consistent with the basic theory of the life cycle.

RETIREMENT AND PENSION SCHEME IN NIGERIA AND THE LIFE CYCLE MODELS OF CONSUMPTION

In 2004, the Federal Government of Nigeria reformed pension management and administration by enacting the Pension Reform Act with Contributory Pension Scheme (CPS), under the provisions of Pension Decree No.102 of 1979 as amended. The provisions of the act cover employees of both the public service sector of the Federal Republic of

Nigeria and private sector organizations. The shift from the defined benefit scheme (pay-as-you go) to the defined contributory pension scheme was due mainly to the system failure to provide retirement benefits (Palacios and Sluchynsky, 2006). Thus, the Pension Reform Act of 2004 have the mandate to ensure retirees of both the public or private sector receives the accrued retirement benefits as and when due; ensures individual workers save to provide for livelihood at retirement; establish a uniform class of rules for the administration and payment of retirement benefits in both the public and private sectors; and stop the growth of outstanding pension liabilities. These objectives are in line with Feldstein (1974), Juster (1981), Fuchs (1998), Hurd (1990), Holzmann and Hinz (2005) that the aim of retirement and pension scheme is not to raise the saving rate, but rather to provide income security or at least a minimum income for the retired.

The CPS is completely funded on the basis of the individual's Retirement Savings Accounts (RSAs) that are privately managed by Pension Fund Administrators (PFAs) ensuring that retirement income is maintained and that retirement benefits are paid on sustainable basis. The Pension Reform Act of 2004 provides in Section 3(1) that no individual shall be entitled to make any withdrawal from their retirement savings account before attaining the age of 50 years. The pension funds and assets are kept by Pension Fund Custodians (PFCs). An employer is gratified to deduct and remit contributions to the PFCs within seven (7) days from the day the employee is paid due salary while the PFC notifies the PFA within twenty-four (24) hours of the receipt of such contribution. In the Pension Reform Act of 2004, the right to a gratuity has been abolished as retirees no longer receive lump sum payment as gratuity in addition to pension which is a monthly payment (Pensions Commission, 2005; Toye, 2006; Taiwo, 2006).

The pension scheme provides for a compulsory contribution of 7.5% of worker's basic salary by the worker and 7.5% of worker's basic salary by the employer. These constitute the worker's pension fund after retirement.

Such contribution and retirement benefits are tax-exempt (Uzoma, 2002, Adams, 2005). The Pension Reform Act, 2004 decentralized and privatized pension administration in the country. The Act constituted the National Pension Commission (PENCOM) as a regulatory authority to supervise and confirm the activities of the registered Pension Fund Administrators (PFAs).

The life cycle model relates the saving and consumption patterns of the consuming individual worker over a life-time. According to the life cycle models of Modigliani and Brumberg (1954), Modigliani and Ando (1957), Ando and Modigliani (1963), the individual divides life-time savings equally amongst each life-period in order to achieve smooth consumption. In this process, the individual worker during working age can save, while at retirement dissaves. The basic theory include the fact that individual worker's consumption pattern are held with certainty, consuming individual household plans to have zero assets at death (Danziger et al, 1982; Mirer, 1980), the individual household's can save or borrow at an exogenous interest rate provided the individual eventually repay any outstanding loans at the time of death (end of life), and the individual lives for two periods namely, working period and retirement period. In line with these frameworks of analysis, the basic life cycle model is formulated as:

$$C = \frac{W + NY}{T} \tag{3.1}$$

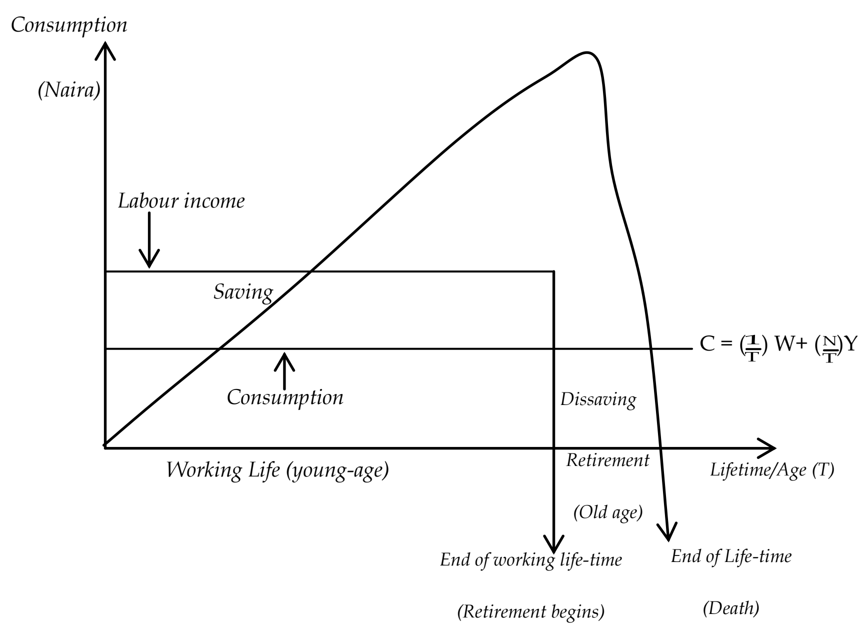
$$C = \left[\frac{1}{T}\right]W + \left[\frac{N}{T}\right]Y \tag{3.2}$$

$$C = \alpha W + \beta Y \tag{3.3}$$

$$\alpha = \left[\frac{1}{T}\right], \beta = \left[\frac{N}{T}\right]$$

Where C is the working period consumption, W is total wealth including savings of the individual worker, N is the working life (in years), that is, the numbers of years into job employment before retirement, Y is labour income, T is life time (in years), α is the marginal propensity to consume out of wealth and β is the marginal propensity to consume out of labour income. For example, given that the working life-time of a Nigerian worker before retirement is 65 and the individual's life-time is 100 years, then the life cycle consumption function of the individual will be given by $C = 0.01W + 0.65Y$. The model analysis is that individual saves during working life and use the savings to finance consumption (dissaving) on retirement. This is graphically depicted.

Figure I: Life-Cycle Model



The crux of the analytical framework is that the individual works at early age, makes savings and consume such savings at retirement age of life-time. This consumption pattern is optimal with the income stream generated from labour services over the life-cycle of the individual worker. The explanation is that savings towards retirement age enables the worker to enjoy a smooth consumption path since such savings are higher than consumption at retirement. With the Fisher's model of inter-temporal consumption choice where the individual worker is forward looking and hence plans for retirement, the individual worker chooses consumption for both eras of working and retirement in order to maximize life-time consumption. Accordingly, the consuming worker's preferences are represented by an inter-temporal consumption function, $U = [C_1, C_2]$.

There are two levels of consumption namely, working period consumption (C_1) and retirement period consumption (C_2). In which case, the consuming worker lives for two periods and the worker can save some amount of income in the working period given as $S = Y_1 - C_1$, the consuming worker receives working income Y_1, future income Y_2, takes a bank loan B, to increase working period consumption and the loan is repaid with interest at the rate, r, from future income. Given these framework, the resulting consumption pattern becomes:

$$C_1 = Y_1 + B \tag{3.4}$$

$$C_2 = Y_2 - [1+r]B \tag{3.5}$$

$$B = C_1 - Y_1 \tag{3.6}$$

Substituting (3.6) *into* (3.5),

$$C_2 = Y_2 - [1+r](C_1 - Y_1)$$

$$C_2 = Y_2 - [1+r]C_1 + [1+r]Y_1$$

$$[1+r]C_1 + C_2 = [1+r]Y_1 + Y_2 \tag{3.7}$$

Dividing through by $[1+r]$,

$$C_1 + \frac{1}{[1+r]}C_2 = Y_1 + \frac{1}{[1+r]}Y_2 \tag{3.8}$$

Equation (3.8) is the inter-temporal budget constraint of the consuming worker. According to the budget constraint, the present value of lifetime consumption must be equal to the present value of lifetime income. If the individual consumption preferences are instantaneous, the inter-temporal consumption choice of the individual worker will entails the following optimization:

$$L[C_1, C_2, \lambda] = U\left[\frac{C_1^{1-\theta}}{1-\theta} + \left(\frac{1}{1+\rho}\right)\frac{C_2^{1-\theta}}{1-\theta}\right] + \lambda\left[Y_1 + \frac{Y_2}{[1+r]} - \left(C_1 + \frac{C_2}{[1+r]}\right)\right] \tag{3.9}$$

$F.O.C:$

$$\frac{\partial L}{\partial C_1} = \frac{\partial U}{\partial C_1} = C_1^{-\theta} - \lambda = 0 \quad (3.10)$$

$$\frac{\partial L}{\partial C_2} = \frac{\partial U}{\partial C_2} = \frac{C_2^{-\theta}}{1+\rho} - \frac{\lambda}{1+r} = 0 \quad (3.11)$$

$$\frac{\partial L}{\partial \lambda} = Y_1 + \frac{Y_2}{[1+r]} - \left(C_1 + \frac{C_2}{[1+r]} \right) = 0 \quad (3.12)$$

$$MRS_{C_1,C_2} = \frac{\frac{\partial U}{\partial C_1}}{\frac{\partial U}{\partial C_2}} \quad (3.13)$$

$$\lambda = C_1^{-\theta}$$

$$\frac{C_2^{-\theta}}{1+\rho} = \frac{\lambda}{1+r} \quad (3.14)$$

substituting for λ *in* (3.14),

$$\frac{C_2^{-\theta}}{1+\rho} = \frac{C_1^{-\theta}}{1+r}$$

$$[1+r]C_2^{-\theta} = [1+\rho]C_1^{-\theta}$$

$$\frac{[1+r]}{C_2^{\theta}} = \frac{[1+\rho]}{C_1^{\theta}}$$

$$\left(\frac{C_2}{C_1} \right)^{\theta} = \frac{1+r}{1+\rho}$$

$$\frac{C_2}{C_1} = \left(\frac{1+r}{1+\rho} \right)^{\frac{1}{\theta}} \quad (3.15)$$

On the other hand, if the consumption choices of the individual are logarithmic in nature, the inter-temporal consumption preferences of the individual worker would yield the following optimization:

$$L[C_1, C_2, \lambda] = U\left[Ln(C_1) + \Phi Ln(C_2)\right] + \lambda\left[Y_1 + \frac{Y_2}{[1+r]} - \left(C_1 + \frac{C_2}{[1+r]}\right)\right] \quad (3.16)$$

$F.O.C:$

$$\frac{\partial L}{\partial C_1} = \frac{\partial U}{\partial C_1} = \frac{1}{C_1} - \lambda = 0 \quad (3.17)$$

$$\frac{\partial L}{\partial C_2} = \frac{\partial U}{\partial C_2} = \frac{\Phi}{C_2} - \frac{\lambda}{1+r} = 0 \quad (3.18)$$

$$\frac{\partial L}{\partial \lambda} = \frac{\partial U}{\partial \lambda} = Y_1 + \frac{Y_2}{[1+r]} - \left(C_1 + \frac{C_2}{[1+r]}\right) = 0 \quad (3.19)$$

$$MRS_{C_1, C_2} = \frac{\frac{\partial U}{\partial C_1}}{\frac{\partial U}{\partial C_2}}$$

$$\lambda = \frac{1}{C_1}$$

$$\frac{\Phi}{C_2} = \frac{\lambda}{1+r} \quad (3.20)$$

substituting for λ *in* (3.20),

$$\frac{\Phi}{C_2} = \frac{\frac{1}{C_1}}{1+r}$$

$$\frac{\Phi}{C_2} = \frac{1+r}{C_1}$$

$$\frac{C_2}{C_1} = \frac{\Phi}{1+r}$$

$$\Phi = \frac{1}{1+\rho}$$

$$\frac{C_2}{C_1} = \frac{\frac{1}{1+\rho}}{1+r}$$

$$\frac{C_2}{C_1} = \frac{1+r}{1+\rho} \tag{3.21}$$

Extending the consumption framework of analysis to uncertainty, the random-walk model (RWM) due to Hall (1978) draws from the inter-temporal model of consumption trade-off to defend the fact that the expected value of retirement period consumption is equal to working period consumption. Thus,

$$Consumption\ \cos t\ (in\ \ period\ t) = \left(\frac{1}{1+\rho}\right)^t U'(C_t)\Delta C_t$$

$$where U'(C_t) = 1 - 2\beta C_t$$

$$= \left(\frac{1}{1+\rho}\right)^t [1-2\beta C_t]\Delta C_t \tag{3.22}$$

$$Expected\ \ Consumption Gains(in\ \ period\ \ t+1) = E_t\left[\left(\frac{1}{1+\rho}\right)^{t+1} U'(C_{t+1})(1+r)\Delta C_t\right]$$

$$= E_t\left[\left(\frac{1}{1+\rho}\right)^{t+1} [1-2\beta C_{t+1}](1+r)\Delta C_t\right] \tag{3.23}$$

$$= \left(\frac{1}{1+\rho}\right)^{t+1} [(1-2\beta)E_t(C_{t+1})](1+r)\Delta C_t \tag{3.24}$$

If the consuming worker is optimizing, the consumption cost must be equal to the expected consumption benefits at retirement, that is,

$$\left(\frac{1}{1+\rho}\right)^{t}[(1-2\beta C_t)\Delta C_t]=\left(\frac{1}{1+\rho}\right)^{t+1}[(1-2\beta)E_t(C_{t+1})](1+r)\Delta C_t \qquad (3.25)$$

$$\Rightarrow \left(\frac{1}{1+\rho}\right)^{t}[(1-2\beta C_t)\Delta C_t]=\left(\frac{1}{1+\rho}\right)^{t}\left(\frac{1}{1+\rho}\right)[(1-2\beta)E_t(C_{t+1})](1+\rho)\Delta C_t$$

$$\textit{Using the fact that } r=\rho$$

$$C_t=E_t(C_{t+1}) \qquad (3.26)$$

To fix ideas, the consuming worker reduces working period consumption by a certain amount, ΔC_t such that the individual then uses the resulting greater income to increase consumption at retirement. In effect, forward looking individual worker bases consumption expenditures on permanent incomes.

Given a finite life-time horizon of length $T-N$, we set $A_{T+1}=0$ with the knowledge that the individual worker spends all savings at the end of retirement age, that is, end of life-time. Solving the consuming worker's budget constraint forward to retirement age of life, we derived the consumption function given by:

$$C_t=\frac{r}{(1+r)-(1+r)^{-(T-N)}}\left[A_t+\sum_{k=0}^{T-N}\left(\frac{1}{1+r}\right)^{k}E_t[y_{t+k}]\right] \qquad (3.27)$$

Over an infinite life-time horizon, we somewhat impose a *no-Ponzi game* condition, which prevents the consuming worker from continuously borrowing and rolling over the debt to retirement period, by requiring:

$$Lim_{(t\to\infty)}\left(\frac{1}{1+r}\right)^{N}A_t=0 \qquad (3.28)$$

The resulting consumption function is then:

$$C_t = \frac{r}{(1+r)}\left[A_t + \sum_{k=0}^{\infty}\left(\frac{1}{1+r}\right)^k E_t[y_{t+k}]\right] \tag{3.29}$$

Given that E_t is rational expectation operator, A_t is assets, ρ is the subjective discount factor, θ is the elasticity of substitution parameter, r is interest rate, C_t is working period consumption, the consumption pattern of the individual worker is such that the fraction of total saving consumed during working period further depends on the interest rate and the length of the life-time horizon over which the individual worker lives.

POLICY IMPLICATIONS FOR RETIREMENT

- Planning for retirement is a driving force for saving. People save for retirement while they are earning regular income. Thus, individual spread life-time wealth including labour income over their life-cycle in order to enjoy a smooth consumption path. Consumption smoothing requires the spread of transitory changes in income over time. In effect, all individual workers choose to sustain permanent consumption; hence savings during working period are not spent arbitrarily at retirement but to defend consumption level just retirement. Hence, consumption realized today must be equal to consumption realized tomorrow.
- Throughout the life cycle, individual workers adjust their consumption as they receive new information that makes them adjust their expectations. If the individual worker is optimally using all available information about life-time wealth, then such individual should only be surprised by random shocks. So changes in consumption reflect "random shocks (surprises)" about lifetime income. In effect, changes in consumption are unpredictable and hence exhibits rand walk. For example, once an individual worker acquires an unexpected promotion at work increases consumption.

Whereas an individual worker that is unexpectedly fired or demoted will decrease consumption. Accordingly, only unexpected policy changes influence consumption. These policy changes take effect when they change expectations." Nevertheless the policy changes affect consumption only as much as they affect life-time income

- If the individual worker is a saver, the increase in interest rate makes the individual to increase consumption in both periods of working life and retirement life. This makes the individual better-off as a result of higher consumption at retirement. The rise in interest rate increases the opportunity cost of working period consumption. This in turn, reduces consumption during working life in order to increase consumption at retirement. Consequently, whether or not working period consumption rises (falls) depends on the relative size of the income and substitution effects.
- Savings are better accumulated when income is earned and dis-saved when retired. Thus, whatever ratio of income an individual devotes to consumption in each period of life, namely, working life and retirement life, all consumption expenditures are allocated in the course of an optimization process, that is, consuming individual tries to optimize not only across periods but within each period. Aggregate savings and income grow along side over the individuals' life-time and so, there is a long-run growth of aggregate savings of the nation. The young generation is wealthier than the old generation. Consequently, the rate of saving varies systematically over an individual's life-time horizon. As a result, savings accumulation during working life is higher than consumption at retirement.
- Individuals achieves smooth consumption path in the face of fluctuations in working period income via saving and borrowing. The young and the retired both have a higher average propensity to consume since they can borrow against future income during working life or using savings at retirement. The middle-aged has higher propensity to save but a lesser propensity to consume.

- Individual's consumption decisions and expectations are held with certainty since the individual can borrow. Hence, the timing of income is irrelevant to consumption but relevant to savings. Consumption puzzle can be resolved because working period income changes as the individual worker moves through the life-cycle. Retirees are cautious of precautionary savings which could be used to defend probable event of living longer than expected and hence having to provide for a longer than the planned life-span of retirement. The possibility of ill-health and medical expenses is a rationale for precautionary savings.
- The individual worker discount retirement consumption at a subjective discount rate. A higher subjective rate implies that the individual worker places greater weight on working period consumption while if the subjective discount rate is low, it implies that enough consumption will take place at retirement. In effect, the lower the elasticity of substitution, the lesser the individual worker values and willing to substitute working period consumption for retirement consumption. In this case, the marginal utility of consumption falls more rapidly as consumption rises. On the other hand, the higher the elasticity of substitution, the greater the individual worker values consumption at retirement. So, the individual worker would substitute working period consumption for consumption at retirement.
- The individual worker that plans for retirement chooses retirement consumption relative to working period consumption on the basis of the interplay between the rate of interest and the subjective discount factor in order to smooth consumption and hence maximize life-time utility. In this case in point, consumption cannot exhibit a random walk process because the interest rate and the discount factor are not equal. Changes in the real interest rate induce changes in the predictable component of consumption growth. However, consumption responds relatively little to interest rate changes. Hence, the inter-temporal elasticity of substitution between consumption during working period and at retirement is low (high)

when the difference between interest rate and the discount factor is high (low).

CONCLUSION AND POLICY STANCE

The policy stance of this paper upholds the fact that it is never too untimely to initiate saving for retirement. The Nigerian factors of delays in payment and outright non-payments of pension funds make it fundamental for the individual worker to seek the need for retirement savings and these put together, makes the role of a co-operative society essential for the average Nigerian worker. To all intents and purposes, it is highly desirous to sustain a retirement saving plan needed to prepare for a financially secured retirement future. So, the role of the cooperative society cannot be overemphasized. There is need to increase the marginal propensity to save in proportion to income. The Nigerian government should ease the procedures of making a claim for pension benefits. In fact, there should be a reduction in the time-lag between making a claim and receiving retirement benefits. It is advisable to reformulate policies towards the integration of the defined retirement benefits and defined contribution plans.

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Diversity and Inclusion Management: Implications on Productivity and Technological Change

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Abstract
Discussion of policy toward diversity and inclusion usually focus on their impact on productivity and technological change. Diversity characteristics include race, ethnicity, culture, religion, language, gender, age and qualification. The existence of these characteristics in the work place tends to influence worker performance depending on how the organisation is able to harness the advantage. In this study, a thorough examination has been made to ascertain the relevance of diversity to productivity and technological change. A total of ten (10) research questions were designed and presented to respondents through questionnaires. A sample size of 600 was drawn from a total population of 3400. Ranking of response was made with the aid of Likert five point scale of strongly disagree (1) to strongly agree (5). Data analysis was based on the instrumentality of mean as a test statistics. It was found that individual differences in gender and qualification do not predict the occurrence of low employee performance. Also, ethnicity and religion differences in language and social integration will not affect productivity.
Keywords: *Diversity, Employee Performance, Inclusion Management, Productivity, Technological Change*

INTRODUCTION

The point that gauges how all human characteristics integrate in the workplaces and indeed all sustainable business growth lies within the ability to identify differences in character and nature of individuals in the work places and systematically develop approaches that will bring out the usefulness from these differences and place them to the advantages of the organizations. Differences that exist among employees in an organization is described as diversity (Armstrong, 2013, Paruis, 2003, Cunningham & Green, 2007). Contents of diversity include race, ethnicity, culture, religion, language, nation or origin, gender, sexual orientation, age, physical abilities, occupation and class. These varying factors cannot be ignored in the work place (Paruis, 2003). A critical issue for the coming decade will be centred on the need to meet the extraordinary demands of business organization on such important issue as diversity at work place.

Foma (2014) citing Robins (2003) and Buckingham (2012) noted that the existence of workplace diversity, within a workplace, indicates that the workplace is heterogonous in terms of gender, race and ethnicity, in which employees posses distinct elements and qualities, differing from one another. Diversity at the workplaces creates a fundamental social division, produces distinct elements and qualities that differ from one another. These elements include employees' beliefs, values, and actions that vary by gender, ethnicity, age, lifestyle and physical abilities (ibid) society has a basic need to organize the way people select partners and find working relationship with people they can share fundamental values. Increasingly, diversity affects people's future productivity, moral beliefs and values and ways of interacting with others. Therefore formulating a policy on managing diversity at workplace (also referred to as workforce diversity) must recognize that there are differences among employees and that these differences, if properly managed, will enable work to be done more efficiently and effectively.

Kandola and Fullerton (1994) observed that the concept of managing diversity is founded on the premise that harnessing these differences will create a productive environment in which everyone will feel valued, where their talents are fully utilized and in which organizational goals are met. Again it is expressed that managing diversity is focused on the assumption that diverse segments will create new methods of working together and that morale, profit and productivity will increase (Schoenfelde & Shaws 1999).

Diversity management is not new in the country though the architects of the new reform have probably unwittingly fostered the impression that the framework is new and indispensable now. The true redemption of the work place does not lie with the provision of jobs according to national character as is being advocated but with the elimination of all the contents of diversity and the introduction of inclusiveness as the viable option. Again, there is the need to speed up the process of diversity and inclusion management in the workplace in Nigeria. Delay in initiating the process of integration may spread more confusion thereby deepening the crippling impact of alienation with destructive interference noticed in the employees productivity. Developing a sustainable competitive advantage suggests that workforce diversity is a necessity for the development, both in terms of economic growth and satisfactory intellectual, emotional and moral existence and in business firms, the workforce diversity among employees is not merely described as differences in languages, perception and attitude but also the managed differences of skills and knowledge because knowledge sharing is an important aspect to improve productivity among the organization which is guided by social interaction (Lauring, 2009).

Any organization that has the potential and resources to employ quality and competitive workforce irrespective of differences in age attitude, language, gender, religion, caste and state or nation of origin can survive harsh and unpalatable labour market conditions compete favourably in the market and outrival forces of competition. Human capital is an important factor of production. The successful contribution of all other factors is underpinned in the quality and effectiveness of human resources asset. Thus it remains the central focus of management.

During the modernization process of the organization management thus rely less on traditional pattern of doing things. Religious beliefs, ethnicities, historical perceptions and traditions become weak. People no longer live their entire lives as they want but as the larger community (organizations) desires. In this way, new social relations emerge. Thus the system generates new ways to fulfill functions or satisfy needs (Chafetz, 1978). The form of skills and philosophies that are likely to emerge after the transformation are sufficiently prepared to harness the capital and physical resources and improve efficiency and high rate of return on investment (Sazena, 2014). It is for these humane reasons as well as for reasons of higher employees productivity and simultaneous achievements of diversity and inclusion for greater efficiency that organizations in the oil and gas sector such as Chevron, Texaco Shell petroleum and Total petroleum must intensify activity mechanism to transform diversity and inclusion benefits in the country.

STATEMENT OF THE PROBLEM

The success of the efforts to transform organizational operations through the development of social capital and positive relations at work places and allow organizational members to grow to their fullest potential will depend not only on the employees ability and skill in raising productivity but even more important on the need to curtail the negative trends and impact of diversity at work places. To a large degree, the problem of divergent and negative social system in the workplace has been artificially created by inappropriate assemblage of people in the form of workers with little or no attention to their diverse nature and background. Viewing the diversity created as an opportunity rather than as a threat creates possibilities for increased organizational understanding (Jackson & Dutton, 1988) and positive, organization-wide change (Cooper rider & Sekerka, 2003).

Diversity management ensures the recognition of basic rights and liberties and at same time creates trust among employees of the organization it is essentially important to express that organizations be devilled by negative diversity will continue to stumble on policies bothering on growth and workers interaction. Based on this premise, organizational leaders should implement diversity initiatives in efforts to motivate and encourage employees to work more effectively with others. This will augur well for companies, placing them in a strong position to compete in an increasingly diverse market place (Cunningham & Green, 2007).

In evaluating this statement, one must keep in mind that the essence of managing diversity and inclusion reflect the main objective of the organization which are industrial harmony and productivity. To put it differently, the case for steeply rising organizational profitability must be made on well managed diversity. It is a fact of life that for a high-yielding organization the bulk of its revenue must be generated by employees with diverse skills and training but varying degrees of diversity in the workplace do produce substantial divergences, introducing a capricious element of differentiation that tend to affect integration and productivity. Therefore it gives us the vantage to question the veracity of diversity in a competitive business environment.

RESEARCH QUESTION

Given the preeminence of diversity in the work place and impacts it does have over the social interaction and productivity of employees it is important to examine the extent of its influence on workers ability and willingness to work together. To this context, the following are posed as research questions;

1. Do individual differences in gender and qualification, predict low employees performance?
2. Can the differences in ethnicity and religion affect the employees' productivity in the work place?
3. Is there any relationship between differences in language and ability of the workers to communicate with each other?
4. Is the degree of diversity awareness in the workplace a precondition for the establishment of worker integration mechanisms?

Hypotheses formulation

The following hypotheses have been formulated for this study:

1. **Ho:** Individual differences in gender and qualification do not predict the occurrence of low employees performance.
2. **Ho:** Employment of persons of different religion and ethnicity will not reduce the productivity of the organization.

3. **Ho:** There is no relationship between differences in languages and social integration of employees in the work place.
4. **Ho:** The degree of diversity awareness is not a precondition for the establishment of a worker integration mechanism

Objective of the Study

Any diversity function developed for effective competitive business advantage need to build more on the progress made by management to create in institutional framework sufficient to address the issues of differences in religion, age, culture, gender, qualification, language, ethnicity and race. In this study, therefore it is paramount to examine the following objectives;

1. It aims to examine the significance of differences in language in the workplace.
2. It tries to assess the level of relationship between religion and ethnicity and their impact on organizational productivity.
3. There is also the need to ascertain the degree of diversity awareness in the workplace and probably design a worker integration mechanism.
4. Finally, the study aims to evolve a method of reducing differences in ethnicity and religion in view of its negative impact in business organization in the country.

SIGNIFICANCE OF THE STUDY

The rationale behind this study was to examine how people with diverse social background, origin, gender, qualification age, culture and religion can work together and increase their productivity in an organization. It is also desirable to evolve a process of diversity management that will encourage employees commitment irrespective of their differences. Organizations that are presently facing market challenges can apply the outcome to increase their diverse customers since heterogonous workforce can be applied in heterogonous markets to win competitive advantage. The study results represent a source of knowledge to future research. Finally, the research findings will aid management, government and society to optimize the benefits of diversity both in the work place and in the educational policy.

SCOPE OF THE STUDY

The study is primarily concerned with diversity management with special reference to implications on competitive business advantage and technological change. For many organizations managing diversity is perilous task in view of the demographic characteristics of the workers involved and the organization's goal and challenges. It is idle to pretend that all the organizational members subscribe to the same belief and ideology. There are, of course, some notable differences that have played up as great opportunities. The study has considered this element in the choice of chevron, total Texaco and shell petroleum as case study.

RESEARCH METHODS

The study seeks to examine the linkages between the diversity function and the employee performance in an organization. The study relied on data generated from the administration of questionnaires to a sample size of 600 staff members out of a total population of 3400 employees of Chevron, Total, Texaco and Shell Petroleum Company. Specifically questions were asked on vital areas of diversity such as influence of language, religion, ethnicity, race, culture, gender and qualification. Some of the questions were presented in close-ended while some were often-ended. The research instrument was mainly mean, variance and standard deviation and analysis was conducted with the aid of Statistical Package for Social Sciences (SPSS). Ranking of responses was made using likert 5 point scale of strongly agreed (5) to strongly disagreed (1). In the analysis, items with 5 response options, a mean score of 3.0 and above was regarded as significant, while a mean score below 3.0 was regarded as not significant.

LITERATURE REVIEW

Integration of different demographic characteristics in the workplace provides greater resources and variety of demand for accelerated growth through greater efficiency and productivity pooling of human resources in the form brings about people with diverse culture, race, religion, gender, qualification and ethnicity. The integration of tehse elements overtime tends to create a convergence of character and behaviors for development of economic fundamentals and similarity of skills preferences within the organization. The existence of workplace diversity entails that the work place is heterogonous in terms of gender, race and ethnicity in which employees posses distinct elements and qualities differing from one another (Robbins, 2003; Buckingham, 2012).

Workplace diversity is described as a broad range of differences that influence how people interact and achieve business results (Hazard, 2004). A common definition of diversity refers to the degree to which a work group or organization is heterogonous with respect to personal and functional attributes (Jehn, Northcraft & Neale, 1999). Diversity can also be identified as a distribution of race and ethnicity among interdependent members of a work unit (Jackson, Joshi & Erhardt, 2003; Pelled, Eisenhardt & Xin, 1999, whether a work group, department or organization. Diversity management can be designed to focus more on such issues as racial, religion and ethnic diversity making it as a resource for building on employees strengths; cultivating a climate that fosters respect, compassion and openness and ultimately gaining a competitive advantage through generating feelings of inclusion of both minority and non-minority employees (Stephens, Plaut & Sanchez-Burks, 2008). Managerial diversity, it has been argued will support the assumption that diverse segments will create new methods of working together and that morale, profit and productivity will increase (Schoenfeldt and Shaw, 1999). In this same manner, Sadri and Tran (2002) revealed that managing diversity includes building specific skills and creating policies that increases the best work behaviours and attitudes from each employees.

MERITS OF DIVERSIFIED WORKFORCE

Managing a diversified work force brings about transformation in the organization. Organizations at different stages of growth find the usefulness of diversity as a key variable to win competitive advantage.

Diversity initiatives remain a great asset that can be used to motivate and encourage employees to work more effectively with others (Cunning ham and Green, 2007). This will augur well for companies, placing them in a strong position to compete in an increasingly diverse market place (ibid). Clemons and MClaughlin (2004) argued that a diversity program will be effective if it is designed to assist the employer in achieving the overall business.

Further they said by aligning the goals of diversity with the goals of the organization. It is much more likely that the culture of the organization and not fall by the way side over time. Therefore diversity training should be important part of employment training programmes because implementing such programmes is a commitment but one that will be well worth the effect in the long-run (Cunningham & Green, 2007). Programmes designed to train employees to adapt to organizational culture and objectives must follow a certain workforce diversity model. The model provides underlying procedures for qualitative integration and interaction of organizational workforce ranging from ethnicity to race, gender to language, qualification and religion. Thus making workforce diversity a central pool, a grease that oils the wheel of productivity.

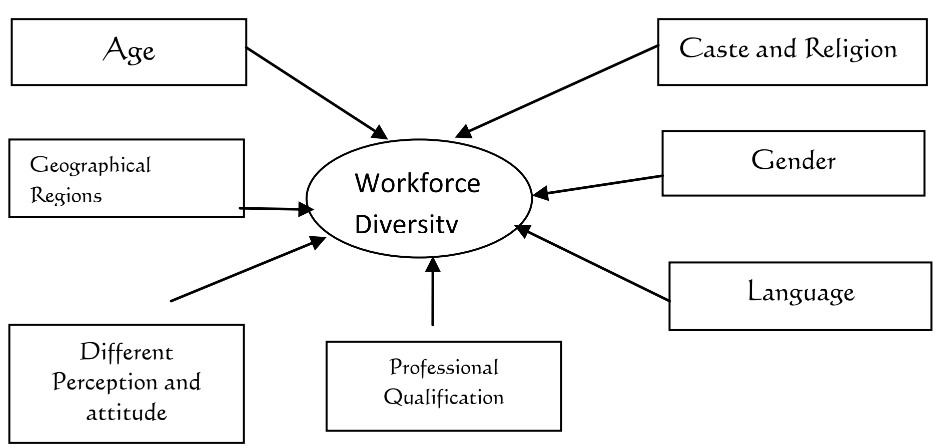

Fig 1: *Workforce Diversity Model*

Source: Ankita Saxena (2014) workforce diversity: A key to improve productivity, *Procedia economics and Finance*, 11, 76-85.

The impact of diversity in the workplace is surprisingly greater than one would think. Foma (2014) argued that certain studies have shown that putting together a team composed of people with the same ethnic background and personality may cause conflicts and decrease productivity. The reason is that people with same backgrounds tend to have many internal issues dealing with pride and competitiveness amongst one another that many reduce productivity process due to unmade decisions by the group (ibid).

Studies of the relationship between one group and the other or one individual and the other tend to differ in their conclusions. Some hold that there is a substantial negative relationship while others attribute little positive relationship. However, this may be, it is difficult to apply the excess burden argument in this context because the workforce diversity which is said to be distorting performance may highly be praised to be uniquely efficient. This assertion may be accepted because teams assembled together that consist of different ethnicities and backgrounds tend to have less conflict because people have more creative and have skills that accept each other. These teams also seem to have higher kind experiences and trainings (Le, 2008) based on the quality of the workforce diversity model (Saxena, 2014).

This same reasoning which suggests that a general consensus abound in the way people of diverse demographic characteristics behave in the productive activities suggests that their unique attributes and differences may assist them to produce several solutions to a problem. The merits of diversity at work place can be summarized as follows (Saxena, 2014).

- Diversity stimulates innovation and productivity and creates a world class culture that can outperform the competitors.
- A multi-cultural organisation such as the oil and gas firms is better suited to serve a diverse external clientele in a more increasingly global market. Such organisations have a better understanding of the requirements of the legal, political, social, economic and cultural environments of foreign nations (Alder, 1981).

- In research-oriented and hitech industries, the broad base of talents generated by a gender- and ethnic diverse organisation becomes a priceless advantage "creativity thrives on diversity" (Morgan, 1989).
- Multi-cultural organisations are found to be better at problem solving, possess better ability to extract expanded meanings and are more likely to display multiple perspectives and interpretations in dealing with complex issues.
- Organisations employing a diverse workforce can supply a greater variety of solutions to problems in service, sourcing and allocation of resources.
- Employees from diverse backgrounds bring individual talents and experiences in suggesting ideas that are flexible in adapting to fluctuating markets and customer demands.
- A diverse collection of skills and experiences (e.g. languages, cultural understanding allows a company to provide service to customers on a global basis.
- A diverse workforce that feels comfortable communicating varying points of view provides a larger pool of ideas and experiences.
- It helps them to see things in different angles and are able to catch any error that may be presented (Foma, 2014). Organisations that are populated by individuals of diverse backgrounds and nature have a lower labour turnover rate, less chances of having flaws in products and tend to be able to acme up with many creative techniques as opposed their competitors.

Implications of Workforce Diversity on Productivity and Technological Change

In considering the implications of diversity on productivity and technological change the implicit assumption is that organisation that are in the process of achieving both objectives should be mindful of the different sides of diversity. Productivity is defined as the relationship between the inputs applied to some transformation process and the output that ensues. Outputs can be any combination of goods, products, or services. Inputs can be human or material resources transformed in the process. This is mathematically equated as: Productivity = Out/Input

Productivity can be increased by raising the quality or quantity of output, or by reducing the inputs applied (Miner & Luchsinger, 1985). It is interesting to note therefore that the tendencies for the value added to congregate, more productivity relates to more value added when the output is increased (ibid). There is however another aspect which works for the benefits of workforce diversity. The classic measurement of productivity considers the labour hours applied as inputs. Productivity is difficult to measure in a meaningful way. The method may vary between factories, hospital and colleges but the concept remains the same- output compared to input applied (ibid).

Fig. 2 factors in productivity

Efficiency of technology +
Efficiency of labour +
Efficiency of capital +
Effectiveness of management = productivity

Source: Miner, John B. & Vincent P. Luchsinger Introduction to Management, Charles E. Merrill, London pp. 502-503.

Human resources represent an important asset in productivity. Capital and physical resources by themselves cannot improve efficiency or contribute to an increased rate of investment alone but have to works through the coordination of human resources (Saxena, 2014; Miner & Luchsinger, 1985).

Factors influencing productivity include (Wall Street Journal, 1997)

- Falling productivity yields rising labour costs
- Unit labour cost increases lead to higher prices
- Higher prices lead to declining sales volumes
- Declining sales lead to reduced employment and reduced plant capacity utilization
- Reduced capacity utilization leads to lower productivity

- Lower productivity leads to more inflation, slackened capital investment, reduced competitive ability, loss of sales and volume and hence to unemployment (productivity perspectives, 1977).

Other sources of slowdown in productivity include:

- Insufficiency of capital investments
- Slowdown in research and development
- Growth in government regulation
- Labour and management in attention
- Aging industrial plant
- Increases in energy costs
- Growth of the service sector
- Age-sex mix change in the work force.

The critical feature in productivity is the creation of team work provided by workforce diversity. Armstrong (2013) noted that team work applies to the whole organization as well as specific teams. It represents a set of values that encourage behaviours such as listening and responding cooperatively to points of view expressed by others, giving others the benefits of the doubt, providing support to those who need it and recognizing the interests and achievements of others. Teams outperform individuals acting alone or in large organizational groupings especially when performance required multiple skills, judgements and experiences (ibid). Diversity management makes different people to work together, live together and together they talk and produce for the overall interest of their organisation.

Having considered the relationship between workforce diversity and productivity, it is imperative that the linkage between diversity and technological change be discussed. Technology entails the use of automation, job design and choice of processes and products to enhance the social, economic and personal needs of the people. Technology in the form of equipment, processes, materials and methods has contributed immensely to the growth of the organisation. Technology is defined as the process of applying science and knowledge to human affairs, especially in transformation, processes and products used to solve problems (Miner &

Luchsinger, 1985). Technology helps us to do things better. It gives us more options in making decisions and solving problems, and provided tools to accomplish tasks.

Technological change has social, economic and political effects but more so on work force diversity since in all respects it is controlled by persons found at the workplace. Technological change exerts pressure on the workplace. The management of technology is the art of reconciling those demands and pressures. As the technological change increases there is a greater need for people in various parts of the firm to communicate and work together and that an organic form facilitates this (Miner & Luchsinger, 1985).
Again it is true to say that managing technology should help society and operations managers keep their options open in applying the knowledge and tools of technology to the needs of particular situation, which in this respect include workforce integration.

In the oil and gas sector, diversity function is more pronounced and has been titled to operate more in terms of integration and blending majority of the workforce in this sector is recruited from different races, languages, ethnicity, gender, culture and with different qualifications and ages. The technology that is involved in the upstream, mid-stream and downstream make it possible o for the organisations to largely be involved in persons of diverse background and nature. An organisation that operates in 28 countries must have the need to employ different people (Petrobras, 2008) to achieve its objectives. The involvement of these oil and gas firms in the development of host communities is another way of promoting diversity advantages. It helps them to understand the culture and language of the indigenes and prepare them as job-ready individuals. In Brazil, Shell invests in initiatives that promote or foster entrepreneurship, income generation, environmental protection, sustainable development and the Brazilian culture amongst others (Shell, 2006).

DATA ANALYSIS AND RESULTS

The result of the study is presented below for analysis

Table 1: Rating of diversity and inclusion characteristics on productivity and technological change

Characteristics	**Mean score ($\overline{X}$)**	**Decision**
Influence of gender differences	4.07	Accepted
Ethnicity and religion	3.87	Accepted
Language and communication ability	2.97	Accepted
Diversity awareness	3.95	Accepted
Existence of multicultural groups	3.85	Accepted
Social relationship and values	3.80	Accepted
Effective inclusion and integration	3.70	Accepted
Problem solving skills	3.52	Accepted
Innovation and creativity	3.51	Accepted
Impact of faith-based values	3.21	Accepted
Grand mean	**3.64**	

Decision range: Mean score of 3.0 and above is regarded as being significant while mean score below 3.0 is not significant.

The result of the data analysis indicated that all the diversity characteristics included in the analysis showed positive influence on productivity and technological change. Gender differences (4.07) was identified to have the highest influence followed closely by diversity awareness (3.95) while impact of faith-based (3.21) values was found to have the least positive influence. On the other hand, language and communication ability proved to be the least influential factor. Whereas all the characteristics were accepted as having strong influence on productivity and technological change, language and communication ability were identified as playing insignificant role.

Table 2: Rating of diversity and inclusion characteristics on productivity and technological change

Characteristics	**Mean score ($\overline{X}$)**	**Ranking Order**
Gender differences	4.07	1st
Ethnicity and religion	3.87	3rd
Language and communication ability	2.97	10th
Diversity awareness	3.95	2nd
Existence of multicultural groups	3.85	4th
Social relationship and values	3.80	5th
Effective inclusion and integration	3.70	6th
Problem solving skills	3.52	7th
Innovation and creativity	3.51	8th
Impact of faith-based values	3.21	9th
Grand mean	**3.64**	

The result indicates that factor influence is more pronounced in gender differences (4.01) than in any other characteristics and it is also greater than the grand mean (3.64) while languages and communication ability (2.97) is the least influential factor and also below the grand mean. Other characteristics that showed positive influence are diversity awareness (3.95); ethnicity and religion (3.87); multicultural groups (3.85); social relationship and values (3.80); inclusion and integration (3.70), problem solving skills (3.52).

DISCUSSION

A significant finding from this study is that language and communication ability do not pose high influence on productivity and technological change. The implication of the result is that workplace diversity is characterised by heterogeneous individuals but with an acceptable central language developed as a means of communication before an employee is engaged (Lauring, 2009). Furthermore, the heterogeneity in the workplace as proved by the existence of the multicultural group (3.85) shows that the organisation is blessed with functional resources to confront diverse and heterogeneous market segments (Robbins, 2003; Buckingham, 2012, Jehn, Northcraft & Neal, 1999).

The study confirmed that ethnicity and religion (3.87) significantly has a great influence in the growth of productivity and technological change. This is supported by Jackson, Josh & Enhardt (2003), Pelled, Eisenhardt & Xin (1999) that a work unit contains employees of diverse back group. By generating high sense of inclusion and integration (3.70) minority group will be able to blend and lend their support for greater productivity and technological change. Stephens, Plant & Sanchiz-Burks (2008) supported this finding because such a good integration and inclusion will afford the organisation a high competitive advantage in the market.

Furthermore, problem solving skills were identified as a major factor influencing productivity and technological change. A major advantage of diversity is its ability to produce problem solving skills (Sadri and Tran, 2002). Finally, social relationship and values (3.80) have been revealed to generate high influence on productivity and technological change. This form of relationship assists the groups to relate with one another and create new values that can move the organisation forward. It helps them to develop good experiences and trainings that are vital for winning competitive market advantage (Le, 2008, Saxena, 2014).

CONCLUSION AND RECOMMENDATIONS

Based on the findings of this study, it is believed that diversity and inclusion play a significant role in organisational productivity and technological change. Diversity stimulates innovation and productivity and creates a world class culture that can assist in winning competitive business advantage. This study identified core diversity characteristics that are important in stimulating productivity. It is important the organisations develop values that will unites and bring total integration and inclusion for the purpose of productivity.

It is therefore recommended that effective diversity and inclusion management be adopted as a strong organisational human resources management policy. The essence of this suggestion is to reduce tension, crisis, mutual suspicion and sectionalism in the organisation.

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Corruption and Insecurity in Nigeria: Implications for National Development

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Abstract
The main objective of this paper is to analyze corruption and insecurity in Nigeria and to examine their implications on national development. To achieve this, the study utilized secondary data and adopted the structural Marxist/Conflict perspective as the anchor of analysis. The paper posits that corruption and insecurity are determined by the social relations of production in the society. The political economy that generates social inequality, deprivation, unemployment and poverty amongst men would ultimately lead to corruption and various forms of insecurity in the society. The main argument of this theory is that corruption and insecurity are aspects of class exploitation and general structures of capitalist development. The paper concludes that it amounts to an illusion to believe that national development objectives can be achieved or attained in an atmosphere of corruption and insecurity. The paper therefore recommends among other things the redistribution of wealth, provision of infrastructures and social services such as employment, education, shelter, protective and supportive health care system sufficient to improve the standard of living of the people, insurance of social justice, good governance, rule of law, human rights to all Nigerians and fundamental change in the socio-economic structures of the society.

INTRODUCTION

The reality of Nigeria's current situation is that corruption and insecurity are the major impediments to economic growth and development and the living conditions of the underprivileged are becoming worse by the day. Nigeria has vast human and material resources, with the potential to build world class social and economic infrastructure, create wealth and eradicate poverty and a fast growing, dynamic and prosperous economy. However, due to over-dependence on oil, the revenue from other areas such as iron and steel, liquefied natural gas, tin, coal etc. all of whose contributions to the gross national product has remained highly insignificant. However, attention has been drawn in several quarters especially by the academic community and by other economic analysts to the potent and inherent danger in which the nation's over reliance on the oil sector poses to the nation's economy. This is because Nigeria has been struggling with managing with its vast supply of oil, which has resulted in the loss of billions of dollars from her economy. The recent revelation on high profile looting of Nigeria's resources by public office holders within the government fuel subsidy scheme continue to unfold as more investigation and attention is being drawn to the issue. More recently, the Auditor General of the federation reveals that the NNPC did not remit 3.2 trillion Naira into the federation account represents the overwhelming totality of corruption in Nigeria. With the dwindling price of crude oil in the international market and in line with the Federal Government moves to diversify the economy, efforts are also at top gear to harness other resources such as gold and bitumen believed to be the second largest in the world. Cocoa, palm kernel, groundnut and kola nut which were the major sources of foreign exchange before the discovery of oil appeared to have been revisited due to the encouragement of the government through several inducements and motivation to farmers.

It is an indisputable fact that Nigeria is blessed with abundant human and natural resources, even though most of these resources are yet to be taped, the few which are available for the nation's use are enough, given the nations present population and human resources, so as to make life comfortable for the average Nigerian. It is however rather unfortunate that, after fifty five years of independence (1960-2015) the yearnings and aspirations of both government and governed on sustainability of national development in the country have been elusive. Suffice to argue that the road to sustainable national development in Nigeria seems to be a long one or even an endless one culminating into so much walk without getting to the desired end or destination. This is because of the fact that successive governments have floated different and quite a number of development plans with the first national development plan in 1962-1968, the second, third and fourth national development plans covered the periods of 1970-1974, 1975-1980 and 1981-1985 respectively.

Other development plans initiated and implemented are; rolling plan by General Babangida, vision 2010 by General Sani Abacha, National Economic Empowerment and Development Strategy (NEEDS) by President Obasanjo's civilian government, 7-point Agenda by late President Yar'adua and the transformation agenda by President Jonathan administration. Yet the sustainability of national development still abound or even increases. The supposed benefits expected to trickle down to the grassroots continue to elude the people despite the huge amount of investment towards this course. Apparently this unfortunate situation has to do with the inability, failure and mismanagement of scarce resources of both human and materials by authorities concerned towards the realization of national goals. Imobighe (1990) observes that Nigeria's experience at national resources management has been marked by inefficiency, corruption, pursuit of elitist taste, discriminatory utilization of the nation's talent, and the penetration of multi-national corporations in the economy. In line with these views, Mohammed (2015) argues that corruption and insecurity are intricately connected with the way and manner some government officials plunder and mismanage the scarce resources that were designed to create favorable atmosphere for national development. Buttressing the above submission, the former President of Ghana, John Kufour stated that the bane of Nigeria's development is corruption and insecurity. He observed that:

> *Corruption and insecurity in Nigeria are costing Nigeria its leadership role in Africa in terms of development. As a result, it is unable to claim its rightful position as giant of Africa from which other African nations could benefit or copy as a role model and that if there is no security there is no liberty,*

life is not meaningful and society reverts back to the law of jungle and man's primary objective of forming a state is defeated (Kufour, 2012 cited in Mohammed, 2015).

The above submission is a pointer of the relationship between corruption, insecurity and national development in Nigeria. It is based on the foregoing premises that this paper is set to critically examine the impact of corruption and insecurity on national development in Nigeria. The paper therefore is divided into six (6) sections. The first section is the clarification on the concepts of corruption, insecurity and national development. The second section presents the theoretical framework. The third section examines corruption and insecurity in Nigeria. The fourth section presents the implications of corruption on national development. The fifth section provides the implications of insecurity on national development. The last section is the conclusion and recommendations.

CONCEPTUAL CLARIFICATIONS

Corruption simply means the perversion of integrity or state of affairs through bribery, favor or moral depravity. This implies an original state or expectation of individual and societal purity. Corruption involves the injection of additional but improper transaction aimed at changing the normal course of events and altering judgments and positions of trust. It consists in the doers and receivers use of informal use of informal, extra legal or illegal acts to facilitate matters. It is in this sense that one sees corruption as a lubricator of the social system, a means by which to overcome economic obstacles and bureaucratic red-tapism (Otite, 1982). Corruption has been defined by Nkom (1982:228) as the perversion of public office for private advantage. This includes bribery or the use of unauthorized rewards to influence people in positions of authority either to act or refuse to act in order to benefit the private advantage of the giver and often that of the receiver; misappropriation of public funds and resources for private gain; nepotism or bestowing undue favor towards one's close friends, kinship relations or ethnic associates in the discharge of public functions; or the improper use of influence to induce one's subordinates into carrying out unauthorized actions capable of enhancing the status or pecuniary advantage of the powerful party (e.g. a Minister directing a messenger to set ablaze buildings or documents containing incriminating evidence against him).

In this paper, corruption is defined as any act by a public official who violates the accepted standard of behavior in order to serve private or selfish ends; the end which this behavior will serve may be social, economic or political. These standards may be legal or conventional. The emphasis is on the violation of such legal or conventional norms for private gain which will include the gains in cash or kind for one's self, relations or friends. In whatever way one defines it, corruption involves acts which are received to be against the public interest, or violate certain legal or normal laws and principles. Some of these acts are directly harmful to the public as in the case of the veterinary officer who allows diseased meat to be sold to the public in return for a gratification from the butcher; or the pharmacist who receives a bribe from a contractor to allow expired drugs to be supplied to a hospital or the engineer who in return for a bribe, fails to enforce the required standards and specifications on public buildings resulting in the eventual collapse of such buildings to the detriment of the public. Some others are only indirectly harmful to the public as in the case of the passport-seeker who gives a bribe to induce the officer to expedite action on the processing of his application forms; an action called speed money (Nkom, 1982).

Security may be defined as freedom or protection from danger; worry or measures taken to guarantee the safety of a country, persons or anything of value. It is the ability to provide reasonable protection and safety for lives and acquired valuables or property. Insecurity may therefore be considered as lack of freedom from danger to life and property and the presence of non-conducive atmosphere for the people to pursue their legitimate interest within the society. Insecurity here has to do with anything that constitutes danger to a country's territory, the lives of its people, its political, economic and social system and its sovereignty as well as undermine relationship of the various communities that make of the nation or the peaceful coexistence of its people. It is a state of society where people don't enjoy the rights and freedoms guaranteed by the rule of law and a safe society (Abdullahi, 2015).An insecure society is one in which neither life nor property is safe and in which vast numbers of the people live their lives under more or less continuous threat of criminal victimization in the present and are full of grave doubts about the future of their society, themselves and offerings (Akaredolu-Ale, 1979). Insecurity is caused by poverty, destitution, unemployment, crimes, conflicts, disruptions, accidents, urbanization and breakdown of traditional community values or any other phenomena in any given society or the increasingly, globalized world at large (Imobighe. 1990). The state of insecurity goes beyond insurgency and terrorist attacks in the North East, militancy and massive theft of petroleum resources in the Niger Delta, cult wars, kidnapping, vandalism, baby factories and selling of human parts and armed robberies that prevail in the south, the growing crisis of rural banditry and cattle rustling in the North West and the growing inter-communal conflicts in the North central. It also has to do with the emergence of ethnic militias/groups like Odua People's Congress (OPC), the Movement for the Actualization of Biafra (MASSOB) in the East and the Niger Delta and the Movement for the Emancipation of Niger Delta MEND which are creating problems for security agencies in the country; they kidnap and vandalize oil pipelines (Mohammed, 2015).

National Development has been defined as the ability of a country or countries to improve the social welfare of the people such as providing social amenities like quality education, portable water, infrastructural facilities and medical care to mention but a few. This means that national development must involve the aggregation of national resources of the country for the general wellbeing of the citizenry in terms of their social and economic development. Raji (1999)opined that national development should be conceptualized in terms of progress in three major dimensions; economic, political and social or moral dimension. He argues that national development must centre on people and their quality of lives in the society.

He contended that national development entails producing more and better food to eat, healthier and happier individuals, better living accommodation, improved transportation and communication system, sound education and enlightenment among the populace and generally more money floating around (Raji 1999 cited in Mohammed, 2015). Thus, national development has been defined to mean the ability of a country or countries to improve the social welfare of the people for the general well-being of the citizenry in terms of their social and economic advancement.

THEORETICAL FRAMEWORK

This study adopts the Marxist/Conflict approach to explain the issue of corruption and insecurity in Nigeria. The Conflict/Marxist approach sees corruption and insecurity as aspects of social phenomena which can only be understood and explained in terms of the material conditions of the society; the way the society organizes the production, distribution and exchange of goods and services. The material conditions of the society determine the behavior of its members and the kind of actions that would produce at a given point in time and situation (Umar, 2014). In other words, once we understand what the material assets and constraints of a society are, how the society produces goods to meet its material needs, how the goods are distributed and what types of social relations arise from the organization of production, we have come a long way to understanding the culture of that society, its laws, its religious system, its political system and even its mode of thought (Ake, 1981).

In analyzing the nature of corruption and insecurity in Nigeria, we are particularly interested in the relationship between the different social classes and the state apparatus. This is because in emerging capitalist societies such as Nigeria, the state is the principal instrument for financing the development of the indigenous capitalist class. Unlike the emerging capitalist class in Europe which benefited from the plunder, enslavement and exploitation of third world peoples, the capitalist class in Nigeria depends to a large extent on state patronage for its strength. Consequently, the state through its policies and programmes create avenues for the transfer of public wealth into private hands of this indigenous class. Rooted in the unequal relationship of social classes to the means of production and exchange as well as the to the state machinery, exploitation expands the wealth and privileges of the dominant class through the simultaneous impoverishment of the actual producers-the peasants, workers, artisans and self employed petty traders (Nkom, 1982).

In a situation where access to economic wealth, political power, prestige and other privileges are not evenly distributed, many especially the ambitious and the unscrupulous would resort to the use of criminal and corrupt practices to achieve these ends. We have an endless list of deviant behaviors now accepted and perpetuated in the promotion of elite imagery such as corruption, large scale financial embezzlement, examination malpractices and racketeering in certificates, abuse of political power, impersonation, favoritism and nepotism in the distribution of public offices. Each of these corrupt practices aims either at acquiring wealth, power and prestige or some kind of social advantage.

The imbalance in power structure is the direct effect of one group striving hard to retain perpetual political advantage over the other (Ejionye & Emereuwaonu, 1982). In the same way, Nkom (1982) argues that the process of acquiring wealth, power, status and prestige is highly rooted in the individuals economic strength so that only those who have the money can afford it, whether they are credible or not. This scenario has not only alienated the masses or the people who constitute the majority but also seriously undermine traditional moral norms and values. The consequences of this are that incredible and morally bankrupt individuals end up in high positions of authority. In line with these views Umar (2014) argues that the focal concern of the capitalist is private accumulation of wealth. Here personal work in terms of self esteem is not measured by the individual's adherence to religious, societal morals but by their individual monetary worth. This is irrespective of whether the source of that wealth was good or bad. The situation encourages political office holders to dump their people in their bid to acquire more wealth so as to garner respect from the people.

When and if this wealth were successfully acquired, the political class and their collaborators turn round to oppress the people with their flamboyant lifestyle.

The capitalist development in Nigeria is characterized by structural imbalance with manifestations of some features of inequality, unemployment, poverty, injustice and inhumanity thereby could be responsible for the occurrences of social problems such as corruption and insecurity. Capitalism encourages and perpetuates corruption and insecurity by extolling precisely those bourgeois instincts such as greed, materialism and desire to take advantage of other people. Bala Usman argues that the root cause of corruption and insecurity in Nigeria is to be found in the capitalist organization of production which is based on individualism, materialism and large scale transfer of socially produced wealth into private hands of a decadent ruling class (Bala Usman cited in Nkom, 1982).

The political and economic arrangement in a capitalist society is such that there is an unequal access to power among the citizens to the extent that only a small group of elites can have it (Umar, 2014). Power is acquired not for the improvement of the quality of life of majority of the people but for the self aggrandizement of the tiny group of those in positions of authority and their cronies or collaborators (Ake, 1981). In line with these views, Nkom (1982) argues that corruption and insecurity involves an alliance between the domestic exploiting class in both private and public sectors and their international patrons. He argues further that corruption is predominantly an elite affair. It is known that the most successful smugglers, treasury looters , foreign exchange traffickers and twenty or forty percenters in our society are members of the rich and powerful class who do not only have the opportunity to misappropriate but also the power to cover up their corrupt deals. Most of the corrupt transactions cannot be carried out without the knowledge and full cooperation of some junior officers in both private and public sectors. It is these junior officers who sometimes get caught and punished while their superior counterparts either escape entirely or are merely retired from service, only to emerge soon after as very successful businessmen and politicians

To this end, corruption and insecurity are not determined by people's aspirations and thought patterns but by the concrete economic structures which enable one group (the capitalists) to exploit the workers and peasants irrespective of the abundance of acquisitive and materialistic social values among the latter. Seen as an aspect of class exploitation, corruption ceases to be a moral offence against an abstract and undefined public interest but a theft of the people's wealth. A society which sanctions struggles for property, wealth and economic self aggrandizement provides fertile ground for corruption and no amount of draconian legislation devoid of the fundamental restructuring of the material basis of society could eliminate corruption. Thus according to this theory, it is impossible to eradicate corruption or any form of insecurity from the society due to the nature of the political economic system that exist, it can however be cured through some measures of adjustments directed at addressing the causes of the problem rather than symptoms. Umar (2014) suggested that the welfare of the majority of the people must be put in the front burner and this concerns massive eradication of poverty, unemployment, hunger, diseases etc and building massive quality infrastructures as well as removing social inequality and injustice from the system.

CORRUPTION AND INSECURITY IN NIGERIA

In contemporary Nigeria, corruption and insecurity have become rampant at all levels of government crippling security and safety of lives and property of Nigerians. Basic health services, education services good governance and other social infrastructures are also crippled as a result of persistent and endemic nature of corruption and insecurity in the country. Corruption and insecurity have always been the result of deprivation, desperation, greed, unemployment and poverty. They are the dark side of society which claimed to cause people in Nigeria to stay poor and in squalor and to suffer from high infant and child mortality rates, low birth –

weight babies, as well as high dropout rates in primary and post primary schools (Shekwo, 2013).

Today, incurable number of able bodied Nigerians is roaming the streets without jobs thereby making them idle, hungry and fending for themselves, therefore making them easy prey for advocates of all manner of anti-social behaviors and criminal tendencies. This is evident in the geometric progression of the unemployment rate in recent years. For instance, the national unemployment rate has increased to 23.9% in 2011 compared to 21.1% in 2010, 19.7% in 2009, 14.9% in 2008, 12.7% in 2007, 12.3% in 2006, and 11.9% in 2005 (NBS, 2010: CBN, 2009 cited in Mohammed, 2015). Sociologists have always maintained that there is a correlation between unemployment and increase in social disorder. Such disorders are initiated, coordinated and sustained by those who have been forced into the streets by deprivation, hunger, anger and unemployment. Some of these end up as armed robbers, advance fee fraudsters, drug pushers, area boys, assassins, prostitutes and dupes whose nefarious activities have spawned a climatic of insecurity of lives and property nationwide.

Poverty has to do with lack of sufficient resources necessary to maintain a minimally adequate standard of living. In other words it has to do with the situation in which people lack the means to satisfying their basic needs. The rising profile of poverty in Nigeria is assuming a worrisome proportion as empirical studies have shown. For instance the national poverty rate has increased to 69.0 % in 2010 compared to 54.4% in 2004 (NBS, 2010 cited in Mohammed, 2015). The report further indicates that 70.8% of Nigerians live below poverty line of $1 per day and up to 92.4 % live below $2 dollar per day (Mohammed, 2015). This led to gross inability of most Nigerians to achieve a certain minimal standard of living and in turn combined to breed a society in which corruption and insecurity, youth violence and thuggery, drug trafficking and abuse, armed robbery, assassination, kidnappings, human trafficking, ritual killings, cultism, prostitution and other forms of socio-political and economic insecurities are increasingly becoming fashionable avenues of escaping from the clutches of poverty

(Mohammed, 2015). Consequently, corruption and insecurity led to diminished access to social services such as medical services, education, water supply, road, electricity etc. The persistent decay of infrastructural facilities in Nigeria due to corruption and insecurity has assumed a worrisome dimension and is increasingly suggesting a serious threat to internal security which in turn retards any effort towards sustainable national development. To buttress the effect of corruption on internal security and national development Odofin (2007) observes that;

> *Every penny stolen in Nigeria contributes to national insecurity "This simply means the weakening of the capacity to provide the basic needs of the people; consequently people are forced into all kinds of criminality because of their poor existence (Odofin, 2007).*

THE IMPLICATIONS OF CORRUPTION ON NATIONAL DEVELOPMENT

In contemporary Nigeria corruption has become rampant at all levels of government diminishing access to social services such as medical services, education, water supply, roads, electricity etc. This explained what Gunner Myrdal calls 'folklore of corruption'- which explains that most government officials are corrupt and have subverted the attainment of national development objectives (Gunner Myrdal cited in Mohammed, 2015).

The implications of corruption for sustainability of national development cannot be overemphasized. Odekunle (1979) argues that the effect of corruption is particularly debilitating. It fosters inertia and inefficiency. Costly delays result from expectations of 'speed money' and undermine the system. Furthermore, since corruption feeds on official venality, it promotes other illicit activities. It diverts national development funds to individual pockets and thus, usually, to conspicuous consumption. Finally, corruption breeds more corruption and sooner or later, it destroys the society's legitimate system of incentives and the average citizen's faith in his country's institution, rulers, civil servants and so on. When that stage has been reached, corruption has the effect of aggravating the 'common' crimes in the country. The sudden wealth of anybody who comes into power or is near power, the fact that most transactions came to involve giving and receiving of bribes and the fact that bribery goes unpunished most of the time-all these tend to create and sustain the belief that corruption pays and to encourage corruption in the general population. He argues further that while the average Nigerian does not want to be a victim of theft, burglary or robbery, he is always ready and willing to buy stolen goods. He does not want to be defrauded, but he defrauds his government through tax evasion, inflated mileage and numerous other claims and by buying and relishing smuggled goods. He complains about police corruption but when he is caught, he offers bribes to policemen or taps 'connections 'to influence their exercise of discretion.

Corruption serves as a drain on local and natural resources at the expense of development and peoples wellbeing thereby, having adverse consequences on economic growth and development. To buttress this argument, former head of Nigeria's EFCC Mal Nuhu Ribadu, estimated that Nigeria lost some $380 billion to corruption between independence in 1960 to the end of Military rule in 1999 (Nuhu Ribadu cited in Mohammed, 2015). Mohammed (2015) observes that the defense budget in Nigeria has been increased from 100 billion naira in 2010 to 927 billion naira in 2011 and upgraded to more than 1 trillion 2012, 2013 and 2014 respectively. The recent revelations regarding the 'arms gate $2.1 billion scandal involving former NSA Sambo Dasuki should get reasonable people thinking. All these were in attempt towards the logistical cum/strategic empowerment and equipment of the Nigerian security agents/agencies to checkmate the situation or state of insecurity. This amount could have been used for the development programmes that the nation desperately need.

In the same vein, Daily Trust of Wednesday January 19 2016 revealed that 55 people stole a total of 1.34 trillion naira in seven years between 2006 and 2013. The figure represented more than a quarter of the last year's national budget. The Minister of Information, Alhaji Lai Mohammed revealed that 15 former governors allegedly stole 146.84 billion naira, 4 former Ministers 7 billion naira and 12 former federal and state officials, 14 billion naira, eight people in the banking industry allegedly stole 524 billion while 11 business men allegedly stole 653 billion naira. The period covered the end of former president Olusegun Obasanjo's second tenure, late president Umaru Musa Yaradua and his successor Goodluck Jonathan. Using World Bank rates and costs, the Minister of information said one third of the stolen funds could have provided 635, 18 Kilometers of road, built 36 ultra modern hospitals per state; built 183 schools, educated 3,974 children from primary to tertiary level at 25 or 24 million per child and built 20,062 units of 2 bedroom houses. The Minister noted that the 2.1 billion dollar arms deal for example showed that funds meant to fight terrorism were deployed to fight to keep the president Goodluck Jonathan and his party, the PDP in power at all cost. Based on this revelation; is anyone thinking about the innocent soldiers who lost their lives just because they did not get the necessary weapons to fight the terrorists. What about the families left behind by these soldiers who were sent to their early graves because of the misappropriation of these funds? What about those who lost their means of livelihood after the terrorists overrun their towns and villages? What of the millions of Nigerians especially women and children who are now living in IDP camps? Is it not clear that the cruel fate that has befallen these unfortunate people is a direct result of the misuse of the funds meant to fight the terrorists? Are these not the true costs of corruption? If Nigerians know the true costs of corruption to their lives and wellbeing they will be less susceptible to swallowing the frivolous self-serving and orchestrated distractions from the corrupt people and their benefactors and beneficiaries.

THE IMPLICATIONS OF INSECURITY ON NATIONAL DEVELOPMENT

Insecurity, just like corruption exacts a toll in human and material resources. Nigeria loses more monetarily, economically, politically and socio-morally from crime and insecurity. Odekunle (1979) argues that crimes such as collusive price-fixing, fraud misrepresentation or adulteration of drugs and food products and other forms of consumer exploitation victimize the public and often impose additional hardships on Nigerians least able to afford them. Theft or embezzlement of valuable state or corporate property provokes material damage by stopping production, wasting raw materials, machines etc. And losses such as these, being cumulative, may not be clearly apparent or measurable in the short run but their repercussions may interfere with development planning goals and objectives.

Insecurity is one of the major factors associated with underdevelopment. The reasons are not far-fetched because of the way it lowers or discourages investment level, destroys human and social capital, damages relationships between citizens and the state and thus undermine democracy and the ability of the state to promote development (Abdullahi, 2015). One of the implications of insecurity is the loss of manpower which must be present for any national development to prevail and be sustained. In other words, insecurity affect manpower and their potentialities toward the sustainability of national development. To buttress this argument the insecurity particularly the Boko Haram insurgency have led to the displacement of over 1.5 million Nigerians in the three states of Adamawa, Borno and Yobe . It was estimated that 9 million people have been affected by the insurgency and about one third of who are acutely in need of humanitarian assistance. In addition, 135, 000 Nigerians have fled to neighboring countries; Chad is reportedly hosting 10000 refugees and approximately 90000 refugees have been displaced to Difference region in Niger (Mohammed, 2015).

Closely related to the above implication is the diversion of governments' attention from execution of people oriented programmes that will enhance their capability and capacity to contribute their quarter toward the sustainability of national development. As a consequence resources are being channeled into reconstruction and rehabilitation efforts in order to repair the damages of insecurity. For instance hundreds of billions of naira that would have otherwise been used for the provision of physical and social infrastructure, job creation and poverty alleviation have gone in the task of provision and distribution of relief materials, as well as resettlement and rehabilitation of refugees or internally displaced persons; provision of security to arrest further escalation in virtually all the states of the federation.

Closure of industries is another negative effect of insecurity on national development. In other words insecurity makes the investment climate very stormy and as a consequence, capital flight, closure of industries and under capacity utilization reared their ugly heads with concomitant decline in the state's economy. In Aba for example, the Nigeria Breweries Limited (NBL), 7UP Plc, Unilever Plc and Paterson Zochonis (PZ) Plc relocated to Enugu largely due to constant kidnapping of their expatriate staff. Thus the decline in foreign investment in Nigeria as a result of insecurity when combined with the effects of global economic meltdown has caused the closing down of tens of thousands of factories in Nigeria (Omoyibo and Akpomera, 2012 cited in Mohammed, 2015). In line with this submission, the Manufacturers Association of Nigeria (MAN) revealed that in the last four years more than 79 companies have closed shop in textile subsector as a result of inadequate supply of electricity, water, roads to mention but a few (Lawan,2010 cited in Mohammed, 2015).

Decay of infrastructural facilities is also an ugly effect of insecurity. Achumba et al (2013) observed that insecurity destroys existing infra structures and also prevent an environment for the development of infrastructure and a safe environment for economic activities by individuals to give them economic empowerment that will enable households not only to cater for their present generations but also to provide for future generations.

Insecurity has adversely affected the economy. Successive governments have made tremendous efforts to promote Foreign Directs Investment (FDI) in the country. However the government's efforts in this regard have not yielded high dividends largely due to the prevailing insecurity coupled with weak socio-economic infrastructure. FDIs have come in trickles despite the fact that the rate of returns are comparatively higher in Nigeria than most of the Asian countries that have continued to enjoy greater patronage. Insecurity has also negative consequences for Nigeria's international image. The propensity of some Nigerians to engage in criminal activities worldwide, which range from advanced fee fraud, drug peddling, human trafficking and prostitution has earned the country a high degree of notoriety for everything negative and the drive to make money by the most fraudulent means. As a result of consistent insecurity in the country, many countries began to issue travel warning to their citizens about the dangers involved in traveling and doing business in some parts of the country. Precisely, the United States warned American citizens of the risk of coming to Nigeria, with particular emphasis to Akwa Ibom, Bayelsa, Delta, Rivers, Abia, Edo, Imo, Jos, Bauchi, Gombe, Yobe and Borno which has grave consequences for the development of the country (Adebayo, 2014 cited in Mohammed, 2015).

CONCLUSION

From the foregoing, it is clear that there is a dialectical relationship between development and internal security situation in the country, and that whichever way we look at corruption and insecurity must be related to the society's level of development of the material production. When society's development provides the necessary infrastructures e.g. employment, education, shelter, protective and supportive healthcare system sufficient to secure for citizens a responsible life and existential assurance, most of the corruption and insecurities that subvert national development objectives would be significantly reduced.

The paper argues that corruption and insecurity whatsoever kind and shape constitutes a big clog in the wheel of progress of any country. The pillage of national resources through various acts of corruption and insecurity, the magnitude and impact is often injurious to society. In this sense, corruption and insecurity are antithesis to development. Thus this study reveals that bad governance, poverty and unemployment, decay of infrastructural facilities, lack of social justice leads to corruption and insecurity which constitute threat and as a consequence hinders business activities, discourages local and foreign investors and diversion of government attention from execution of people oriented programmes, all of which stifles and retards the nation's progress towards national development.

Unlike the Marxian schema where the combination of thesis and anti-thesis produces a synthesis, which represents the progress of a society, the combination of corruption and insecurity produces an epitome of underdevelopment and retrogression which are manifested in mass object poverty, illiteracy, hunger, diseases, high infant and child mortality rate etc. It is in the light of this reality that this paper contends that although development of whatever nature may not totally eradicate corruption and insecurity, no meaningful development can be attained in the midst of pervasive corruption and insecurity.

RECOMMENDATIONS

1. There is need for an effective transparent and accountable leadership at all levels which will guarantee good governance to all Nigerians and ensure that government policies are well articulated and implemented and development programmes are evenly spread to avoid favoritism and attendant confrontational agitation by certain groups which could create discontent thus creating pool of miscreants who could easily be manipulated to foment trouble.
2. The system of penalties to corruption and insecurity as well as the system of rewards to good behavior and commendable conduct in public offices should be strengthened. No matter the rank of the officer involved, acts of corruption, crime and insecurity should be appropriately penalized and acts of good conduct should not be overlooked or disregarded but genuinely rewarded. It is felt that to do otherwise is to undermine the moral tune of the nation.
3. The increase in corruption was due to the absence of a legal framework to severely and effectively punish criminals which

contributed to the inability of the country to make much progress in tackling the menace. Government should therefore take measures that will severely punish criminals and any convicted corrupt public office holder to serve as deterrence to others.

4. Government should adequately fund and equip the security agencies across the country to enable them cope with corruption and other security challenges. There should be a comprehensive motivational welfare package for personnel of the police forces and other security agencies, as well as enhanced and adequate funding for contemporary and futuristic manpower training programmes of the police and other security agencies.
5. In order to end corruption in the public service, government should build a system of trust and prudent management of resources and entrench fiscal responsibility policy in governance with a view to blocking wastages and leakages in government expenditure and revenue, slashing the cost of running government and leveraging on integrity-driven human resources available.
6. Concerted efforts should be made to revive and diversify the economy to provide jobs and uplift the living standard of the people. This will eventually reduce corruption and insecurity in the country.
7. The need for social security policy in Nigeria has become highly imperative especially given the increasing poverty and youth unemployment across the country. Government should provide a comprehensive social security scheme such as the payment of monthly allowance as a social security benefit to the poor and unemployed youths which would go a long way to reduce insecurity including crimes.
8. Youth empowerment and engagement remain the only panacea to tackle unemployment and poverty by providing the enabling social conditions that will alleviate poverty and create job opportunities that narrow the gap between the rich and the poor in order to ensure peace and harmony in the land. A greater weight must be placed on the provision of basic infrastructures and amenities, employment

generation and poverty alleviation to ensure economic security as well as physical security.

9. In order to rid the society of corruption and insecurity, governments should embark on massive education and public enlightenment programmes toward the acquisition of right values of hard work, discipline, patriotism, selfless service etc. It is also necessary to embark on reorientation of the public servants to change their attitudes to public office and public trust and to encourage them to be law abiding citizens.
10. In order to address insecurity and corruption, government should strive to give an equitable sense of belonging and equal opportunities to all segments of Nigerian society. In addition to the current governments efforts at redressing perceived marginalization, government should be determined to ensure equity, justice and fairness in the distribution of posts or employment opportunities, infrastructural facilities and services across the country by pursuing economic and social policy options that will reduce corruption and insecurity, while ensuring sustainable development.

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Delegation of Authority: Principles, Importance, Challenges and Prospects in the Nigerian Public Bureaucracy

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Pp 94-111

Abstract
An effective public bureaucracy is essential to the social, economic and political well being of any country and an essential factor in global competitiveness. Given these challenges, there is bound to be a shift in the introduction and use of new technologies and work methods. The process of delegation of authority is regarded key to the efficient functioning of an organization and its goal attainment; hence the senior public bureaucrat must delegate some of his responsibilities with sufficient authority to his subordinates. In the Nigerian public bureaucracy, all authority legally belongs to the superior public bureaucrat and he is held responsible for all its activities, but no senior bureaucrat can hope to do everything himself, because he will be over burdened with details of work causing inordinate delay. This paper took a critical look at the basic elements and principles of delegation of authority, some factors that could enhance effective delegation of authority, the importance, challenges and prospects of delegation of authority in the Nigerian public bureaucracy. The paper concludes that administration is about carrying out activities to achieve public goals which rests on proper control and coordination which enhances administrative efficiency. Efficiency and productivity in the Nigerian public bureaucracy would improve tremendously if superiors delegate authority to competent subordinates, and if subordinates take advantage of benefits they would achieve when delegation process is effectively carried out.

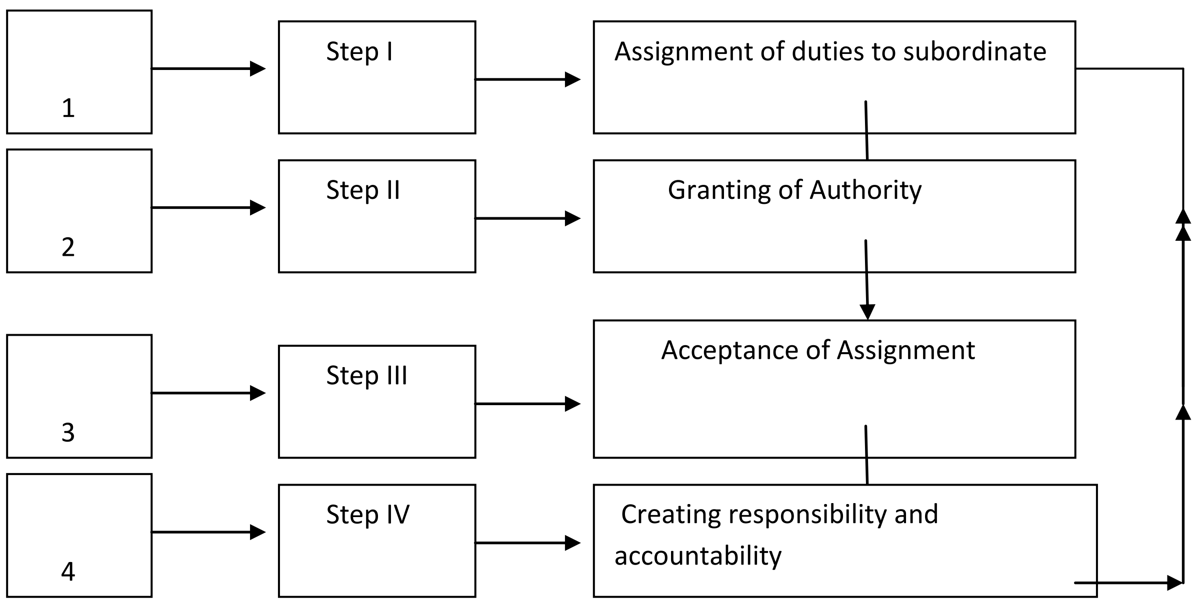
Keywords: *Principles, Importance and Challenges*

INTRODUCTION

In every human organization, the key to successful operation is the effective utilization of all available human and material resources by the members of the organization. Common factors in organizations include cooperation, clearly defined goals and objective, methods and procedures. The organization is a network of interrelated roles and procedures by various participating individuals in order to achieve agreed objectives. Delegation of authority is one vital organizational process which is necessary for the efficient functioning of any organization and it is inevitable in the expansion and growth of a business enterprise. Delegation means assigning of certain responsibilities along with the necessary authority by a superior to his subordinate to carry out specific activities. According to Prest (2005:150), delegation is essentially an organizational process which facilitates the transfer of authority from a superior to a subordinate. In other words, authority is said to be delegated when it is vested in a subordinate by a superior. However, the person who delegated the work remains accountable for the outcome of the delegated work. Delegation does not mean surrender of authority by the higher level manager, it only means transfer of certain responsibilities to subordinates and giving them the necessary authority, which is necessary to discharge the responsibility properly.

In the context of the Nigerian public bureaucracy, which is large scale, delegation is a product of the forces created by volume and complexity of work. In a scalar organization like the Nigerian public bureaucracy, all authority legally belongs to the superior public bureaucrat and he is held responsible for all its activities, but no senior bureaucrat can hope to do everything himself, because he will be over burdened with details of work causing inordinate delays. Hence the senior public bureaucrat must delegate some of his responsibilities with sufficient authority to his subordinates. Thus, the scalar principle provides for delegation of work and authority downwards.

Furthermore, delegation gives the subordinate administrator the means with which to operate and this makes the functioning of organization possible. Thus, the process of delegation is regarded as the key to the efficient functioning of an organization and its goal attainment. Therefore, delegation of authority is the base of superior – subordinate relationship and involves four steps as shown in the diagram below:



Source: Field Study, 2015.

1. **Assignment of Duties:** The delegator first tries to define the task and duties to the subordinate. He also has to define the result expected from the subordinates. Clarity of duty as well as result expected has to be the first step in delegation.

2. **Granting of authority:** Subdivision of authority takes place when a superior divides and shares his authority with the subordinate. It is for this reason that every subordinate should be given enough independence to carry out the task given to him by his superior. The managers at all levels delegate authority and power which is attached to their job positions. The subdivision of powers is very important to get effective results.

3. **Acceptance of the Assignment:** In this third step, the subordinate has to accept or reject the task assigned to him in the first step along with the authority given to him in the second step. If the subordinate or delegate refuse, the delegator has to make fresh plan of delegation or may consider another subordinate who is capable and willing to accept the assignment. On the other hand, the process of delegation will move to the fourth and last step if the first or second delegate accepts the assignment of duties accompanying the authority.

4. **Creating Responsibility and Accountability:** The delegation process does not end once powers are granted to the subordinates. The subordinates have to be obligatory towards the duties assigned to them. It means that a subordinate is held responsible for assigned tasks and he is answerable for the satisfactory completion of the assignment and for the proper use of the authority and resources given. Responsibility is said to be the factor or obligation of an individual to carry out his duties to the best of his ability. It gives effectiveness to authority, it is absolute and cannot be shifted. Accountability, on the other hand, is the obligation of the individual to carry out his duties as per the standards of performance. Therefore, it is said that authority is delegated, responsibility is created and accountability is imposed.

Elements of Delegation

According to Management Study Guide "MSG Experts", the important elements of delegation of authority are as follows:

i. **Authority:** This is the right to give commands, orders and get things done. In context of an organization, authority can be defined as the power and right of a person to use and allocate the resources efficiently, to take decisions and to give orders so as to achieve the organizational objectives. Authority must be well defined. All people who have the authority should know the scope of their authority and should not misuse it. Authority always flows from top to bottom. It explains how a superior gets work done from his subordinate by clearly explaining what is expected of him and how he should go about it. Authority should be accompanied with an equal amount of responsibility. Delegating the authority to someone else doesn't imply escaping from accountability. Accountability still rest with the person having the utmost authority.

ii. **Responsibility:** This is the duty of the person to complete the task assigned to him. A person who is given the responsibility should ensure that he accomplishes the tasks assigned to him. If the tasks for which he was held responsible are not completed, then he should not give explanations or excuses. Responsibility without adequate authority leads to discontent and dissatisfaction among the persons. Responsibility flows from bottom to top. The middle level and lower level management holds more responsibility. The person held responsible for a job is answerable for it. If he performs the tasks assigned as expected, he is bound for praises. While if he doesn't accomplish tasks assigned as expected, then also he is answerable for that.

iii. **Accountability:** This means giving explanations for any variance in the actual performance from the expectations set. Accountability cannot be delegated. For example, if 'A' is given a task with sufficient authority, and 'A' delegates this task to 'B' and asks him to ensure that task is done well, responsibility rest with 'B', but accountability still rest with 'A'. The top level management is most accountable. Being accountable means being innovative as the person will think beyond his scope of job. Accountability, in short, means being answerable for the end result. Accountability can't be escaped. It arises from responsibility.

PRINCIPLES OF DELEGATION OF AUTHORITY

The Principles of delegation serve as ground rules or standards that aid superiors through the delegation process so as to enhance effectiveness of the whole process. (Tyrocity.com). These principles include:

a. **Principle of Parity of Authority and Responsibility:** This principle is one of the important principles of delegation of authority. For any delegation to be effective, authority given to a subordinate must be equal to the responsibility assigned to him or her. The employee must be given equal amounts of responsibility and authority to accomplish a given task. Failure to equate responsibility with authority will lead to inefficient operations or inability to accomplish the assigned task satisfactorily.

b. **Principle of Absoluteness of Accountability:** According to this principle, accountability to one's superior is absolute and cannot be transferred. Although responsibility may be assigned and authority may be delegated to subordinates, accountability to one's superior can neither be assigned nor delegated. The manager who delegates authority to his subordinate still remains fully accountable to his superior for its execution.

c. **Principle of Unity of Command:** This principle states that subordinates must be commanded by one superior; they should take their task from one superior and should be accountable for their responsibility toward the superior level of operation. In other words, a subordinate should be accountable to one and only one, superior at a time.

d. **Principle of Functional Definition of Authority and Responsibility:** Duties and task assigned by the superior and the authority given to fulfill the task should be clearly explained and decided. By this, subordinates can know about the limit of their right, duties and responsibility.

e. The Scalar Chain: According to this principle, authority flows from top to bottom. Therefore, scalar chain is the basis of relationship between the superior and subordinates. It emphasizes the relation between superior and subordinates by which delegation will be easier.

FACTORS TO ENHANCE EFFECTIVE DELEGATION OF AUTHORITY

Factors to enhance effective delegation of authority according to Gaurav Akrani (2010:5) are:

1. **Knowledge of Objectives:** Before delegating authority, the subordinates should be made to understand their duties and responsibilities. In addition, knowledge of objectives and policies of the enterprise should be provided to them. The goals and targets should be completely and clearly defined and the standards of performance should also be notified clearly. This will enable them discharge their roles purposefully in the process of delegation.

2. **Clarity of Delegation:** While delegating authority to subordinates, they should be made to understand the limits of authority so that they know the area of their operation and the extent of freedom of action available to them. Such clarity guides subordinates while performing their jobs.

3. **Use of Exception Principle:** When authority is delegated, it is expected that the subordinate will exercise his own judgment and take decisions within the purview of his authority. He is to be given adequate freedom to operate within his authority even at the cost of mistakes. The subordinate should refer the problems to the top level management only when he is unable to take decisions. Unnecessary interference in the work of delegates should be avoided. However, this normal rule can be given up under exceptional circumstances.

Here, the superior interfere in the work of his subordinate and even withdraw the delegated duties and authority. The superior takes this decision under exceptional circumstances.

4. **Completeness of Delegation:** There should be completeness in the process of delegation. The process of delegation should be taken to its logical end; otherwise, there will be confusion of authority and accountability.

5. **Knowledge of Authority level:** This suggests that a manager should exercise his authority within the jurisdiction / framework given. The manager should be willing to consult his superiors with those matters of which the authority is not given, that means, before a manager takes any important decision, he should make sure that he has the authority to do so. On the other hand, subordinate should also not frequently go with regards to their complaints as well as suggestions to their superior if they are not asked to do. This factor emphasizes on the degree of authority and the level to which it has to be maintained.

6. **Effective Communication Support System:** This implies that there should be continuous flow of information between the superior and the subordinates with a view to furnishing relevant information to subordinate for decision making. This helps the subordinates to take proper decisions and also to interpret properly the authority delegated to him. Delegation system may not work smoothly in the absence of effective communication between the superior and subordinates.

7. **Reward for Effective Delegation:** This suggests that effective delegation and successful assumption of authority should be rewarded. This will facilitate fuller delegation and effective assumption of authority within the organization. Reward for effective delegation will provide favorable environmental climate for

its fair introduction.

8. **Parity of Authority and Responsibility:** This factor suggests that when authority is delegated, it should be commensurate with the responsibility of the subordinate. In fact, the authority and responsibility should be made clear to the subordinate so that he will know what he is expected to do within the powers assigned to them. There should be proper balance/parity or co-existence between the authority and responsibility. A subordinate will not function efficiently, if authority given to him is inadequate. On the other hand, if the excess authority is given, he may misuse the same. In order to avoid this, the subordinates who are assigned duties should be given necessary / adequate authority to enable them carry out their duties.

9. **Unity of Command:** A subordinate should get orders and instructions from one superior and should be made accountable to one superior only. This means, no subordinate should be held accountable to more than one superior. When a subordinate is asked to report to more than *one boss*, it leads to confusion and conflict. Unity of command also removes overlapping and duplication of work. In the absence of unity of command, there will be confusion and difficulty in fixing accountability.

10. **The Scalar Principle:** The scalar principle of delegation maintains that, there should be clear and direct lines of authority in the organization, running from the top to the bottom. The subordinate should know who delegates authority to him and to whom he should contact for matters beyond his authority. They (subordinates) should also know what is expected from them. This principle justifies establishment of the hierarchical structure within the Organization.

11. **Absoluteness of Responsibility:** This suggests that it is only the authority which is delegated and not the responsibility. The

responsibility is absolute and remains with the superior. Even when the manager delegates authority to his subordinate, he remains fully accountable to his superiors because responsibility cannot be divided between a superior and his subordinate. Every superior is responsible for the acts of their subordinates and are accountable to their superior therefore the superiors cannot pass the blame to the subordinates even if he has delegated certain powers to subordinates. He is responsible for the acts and omissions of his subordinates.

Importance of Delegation of Authority

As observed by Gaurav Akrani (2010:3), delegation has several importance when properly used and these include:

a. Higher Productivity: Subordinates or employees' production will increase as they are delegated authority. They can work autonomously, they will have freedom to work, sense of satisfaction increases and automatically, productivity would be enhanced.

b. Employee Development: Delegation of authority increase the skill, knowledge and expertise of employees. Employee participates in decision making and problem solving. They know how to develop alternatives and make decisions. They know how to solve problem and face challenges. Delegation of authority acts as training and development programs for employees.

c. Use of Expertise: Subordinates in organization will have their own skill and knowledge, they have their own expertise and if they are delegated sufficient authority then they can utilize their skill, knowledge and expertise while performing their assigned task. Organization will be benefitted from the expertise of subordinates.

d. Speedy Decisions: When employees are delegated authority, the decision making will be quick, top management will not be overloaded by decisions, and subordinates can make decision in right time.

e. Improved Organizational Climate: Delegation of authority increases employee's commitment and loyalty towards work and organization. It improves employee's performance, organizational climate will be more favorable and organizational performance as a whole will increase.

CHALLENGES/BARRIERS TO EFFECTIVE DELEGATION OF AUTHORITY

(A) Challenges/Barriers on the part of Superior/Delegator

i. Unwillingness of the delegator to delegate authority: Some superiors tend to think that they can do the job better when they themselves handle the job. The attitude that '**I can do it better myself**' on the part of superior acts as an obstacle to delegation. Some superiors who are autocratic and power worshippers feel that delegation will lead to reduction of their influence in the organization. A superior may feel that if he has a competent subordinate and if he delegates authority to the subordinate, quite likely he will outshine him superior and may be promoted.

ii. Fear of Competition: A superior may feel that if he has a competent subordinate and if he delegates authority to the subordinate, quite likely he will outshine him. Fear of subordinate's excellence may come in the way of delegation.

iii. Lack of Confidence in Subordinates: A superior may hesitate to delegate authority, if he feels that his subordinate is not competent to deal with the problem and take decisions. Even the fear of losing control over the subordinates acts as an obstacle to delegation. In addition, fear of being exposed due to personal shortcomings may act as an obstacle in the process of delegation.

iv. Lack of Ability to Direct: Sometimes, a superior may experience difficulty in directing the efforts of his subordinates because of his inability to identify and communicate the essential features of his long-range plans and programmes.

v. Conservative and Cautious Temperament of the Superior: If a superior has a conservative and over-cautious approach, there will be psychological barrier in the way of delegation. A superior avoids delegation as he feels that something may go wrong even when the instructions given are clear and the subordinates are reliable.

vi. Desire to Dominate Subordinates: Superiors normally, have a desire to dominate the subordinates functioning under their control. They feel that their domination will reduce if the powers are delegated to subordinates. They also feel that due to delegation, the subordinates will know their managerial deficiencies. In order to maintain their superior status and in order to dominate the subordinates, they avoid delegation itself.

B. Challenges/Barriers on the part of Subordinates (Reasons why Subordinates Resist Delegation)

i. Too much Dependence on the Superior for Decisions: Some subordinates avoid responsibility even when the superior is prepared to delegate authority. They want the superior to tackle problems and take decisions. A subordinate who is not confident about his performance/ability will certainly try to shirk responsibility even though his superior is prepared to delegate functions and authority.

ii. Fear of Criticism: Subordinates express unwillingness to accept delegated authority because of the fear of criticism in the case of mistakes. They fear that they may be criticized by others if they commit mistakes. Such subordinates have the following feeling in their mind, *" Why should I stick my neck out for my boss?"*

iii. Lack of Information: A subordinate may hesitate to accept a new assignment, when he knows that necessary information to perform the job is not likely to be made available to him. He is reluctant to accept delegated functions and authority as he feels that he will not be able to perform well due to inadequate information available.

iv. Absence of Positive Incentives: Positive incentives like recognition of work and rewards go a long way in building up the morale of subordinates. In the absence of such incentives in the form of recognition, appreciation or monetary benefit, a subordinate may not be prepared to accept delegation of authority.

v. Absence of Self-confidence: A subordinate may lack self-confidence about his ability to take quick and correct decisions. He may not like to accept new challenging functions as he lacks self-confidence. Thus, lack of self-confidence on the part of subordinates is one obstacle which comes in the way of delegation of authority.

vi. Difficulty in Decision-Making: A subordinate may not have the skill and the expertise to take quick and correct decisions. He prefers to go to his superior (boss) and ask for his guidance or opinion. Such psychology acts as a cause for non-acceptance of delegation. A subordinate avoids delegation due to such mental tension or inferiority complex.

vii. Poor Superior-Subordinate Relations: Absence of cordial relations between the superior and the subordinates hampers the process of delegation of authority. The attitude of the superior towards subordinate may not be friendly but hostile. There may be undue interference in the work assigned to the subordinate. Even the good work of subordinate may not be appreciated by the superior. Such situation creates unfavorable attitude of subordinate towards delegation. He avoids delegation as and when offered.

viii. Undue Interference by Superior: A superior should not interfere in the duties delegated to the subordinate. He may offer guidance as and when asked for. Some superiors interfere in the work of their subordinates and try to control them often and again. In the absence of legitimate freedom, the subordinate becomes uneasy and prefers to remain away from the process of delegation.

Prospects of Delegation of Authority in the Nigerian Public Bureaucracy

Government the world-over, are usually saddled with a variety of functions and responsibilities spanning socio-economic, political and other spheres. The machinery by which public policies in terms of the functions and responsibilities of government, are transformed into concrete action in all modern states, is the public bureaucracy.

Public bureaucracy is the main instrument through which any government implements social change. The skills and experiences required to institutionalize innovation has to be supplied by the public bureaucracy especially in the tasks of advising government and executing its policies. The average political leader depends greatly on administrative expertise and technical knowledge of public bureaucrats. The bureaucrat giving his length of experience understands how policy works in practice hence they formalize several government intentions into legislation, and they execute government decisions by applying government regulations in their day-to-day dealing with members of the public.

In the Nigerian Public Bureaucracy, there are lots of prospects if delegation of authority is properly and effectively carried out. The first and most obvious is that the more tasks the array of administrative and professional staff employed to established posts by the state, are able to delegate, the more opportunities they would have to seek and accept increased responsibilities from senior bureaucrats. Thus bureaucrats will try to delegate not only routine matters but also tasks requiring thought and initiative, so that they will be free to function with maximum effectiveness for their different establishments. In addition, delegation causes subordinates to accept accountability and exercise judgment. This would not only help to train junior bureaucrats, but also help to improve their self confidence and willingness to take initiative.

Delegation makes it possible for senior bureaucrats to distribute their workload to their subordinates. Thus, the senior bureaucrats are relieved of routine work and are able to concentrate on higher functions of management like planning, organizing, controlling, etc. Junior bureaucrats are encouraged to give their best at work when they have authority with responsibility. They take more initiative and interest in the work and are also careful and cautious in their work. Delegation leads to motivation of employees and manpower development. Delegation of authority would facilitate efficiency and quick actions in the Nigerian public bureaucracy because it saves time and enables subordinates to deal with problems promptly. Junior bureaucrats can take decisions quickly within their authority and it would not be necessary for them to go to their superiors for routine matters. This would definitely raise the overall efficiency in the Nigerian public bureaucracy and offers better results in terms of production, turnover and efficient service delivery for the citizens.

Delegation raises the morale of subordinates as they are given duties and supporting authority. The junior bureaucrats certainly would feel that they are responsible employees and their attitude, outlook and responsiveness towards work assigned becomes more constructive. Due to delegation, effective communication develops between the superiors and subordinates.

The subordinates are answerable to superiors and the superiors are responsible for the performance of subordinates. This brings better relations and team spirit among the senior and junior bureaucrats. The senior bureaucrats trust the junior bureaucrats and give them necessary authority and the junior bureaucrats in turn accept their accountability and this develops cordial superior-subordinate relationships.

Delegation acts as a training ground for management development in the Nigerian public bureaucracy. It gives opportunity to junior bureaucrats to learn, to grow and to develop new qualities and skills. It builds up a reservoir of executives, administrators, and bureaucrats which can be used as and when required. Delegation creates managers and not mere messengers.

CONCLUSION

In Nigeria, the average political leader depends on the technical knowledge of the public bureaucrats, who, giving their length of experience, understand how policy works in practice. The Nigerian public bureaucrat formalizes several government intentions into legislations, they execute government decisions, and apply government regulations in their day-to-day dealings with members of the public. Although some of the internal conflicts in the Nigerian public bureaucracy as noted by Mazi Mbah (2007:463), include among others, the struggle for power and authority, lack of commitment and absence of sense of duty, however, the capacity of any given bureaucracy to efficient and effective service delivery cannot be taken for granted. According to (Imhanlahimhin, 2000: 246), one of the criticisms of the public bureaucracy is delays, ineffectiveness and inefficiency. Imhanlahimhin, (2000) noted that the Nigerian public bureaucracy has become an institution in which excessive caution, undue bureaucratic practices and interminable delays have become land marks, an institution seemingly resistant to dynamic change and an institution which has become the object of constant public criticism.

Administration is all about carrying out activities to achieve public goals and this rests on proper control and coordination which enhances administrative efficiency. This involves completing successfully, large and complicated task that no one individual could accomplish alone. Efficiency and productivity in the Nigerian bureaucracy would improve tremendously if authorities are delegated to competent staff by senior bureaucrats, and if junior bureaucrats take advantage of all the benefits they stand to gain or achieve when the delegation process is effectively carried through.

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Globalisation and Underdevelopment in Africa: Theoretical Perspective

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Pp 112-129

Abstract

Globalisation is a universally adopted concept with basic idea of growth and sustainable development. As engine of growth and development, it lacks the capacity of universal advantage as evidence in two- world. This study adopted secondary methods of data collection. It was revealed that globalisation did not commensurate development in Africa like the western world. The reasons for this unequal development with globalisation paradigm were identified thus; the nature of African products, Africa as monoculture and supplementary supplier, inadequate infrastructure and lack of independent institutional framework. Against this background, the following recommendations among others were succinctly made; the rule of the game should be maintained, there should be adequate domestic policy, diversification culture should be maintained, there should be development of infrastructural network, assurance of political will etc..

Keywords: *Globalisation, Investment, Development, Poverty.*

INTRODUCTION

Globalization as a discourse, borders more on the issue that surround the political economy of both developed and developing nations of the world. Advocates of globalization believe that, economic growth and development are products of a globalized economy. There can be really no growth and development especially in less developed world, without its total integration with the developed world, through globalization. (Nkem 2004)

Globalization is not a new phenomenon. According to Lindert and Williamson (2001), globalisation commenced more than 200 years ago.

Globalisation has plethora dimensions which among others involve: economic, technology political, social and culture. The integrating force of globalization is the proliferated linkages of interdependent flows of a greater variety of goods, services, people, capital, information and technology, to the extent that what is globalization today can simply be seen as a community.

Individuals are no longer restricted to a geographical location, not even their countries of origin in their economic, social and political activities (Ohmae, 1995). Initial , globalization was to promote cooperation and effective communication among member states for the assurance of economic growth and development, in order to expunge poverty. Globalization process is equally making the factors of production to become mobile across the world and combining them with other locational assets of different countries for increased efficiency and productivity (Aremu 2006).

Globalization has historically been associated with the development of liberalization (Nkem 2004). Thus, leading to an openness and competition in the integrated market. Globalization has evolved new market and competition among actors across the globe, thereby resulted in the need for collective decision in the global market.

Globalization through trade liberalization, assumes the world economic situation to be of two pillars: the northern hemisphere (the developed countries) and the southern hemisphere (the developing countries). Apparently, survival of both side depend on their ability to adequately exploit the opportunities provided through comparative advantages in the free trade market zone. Amin (1976),observed that this market trade zone could lead to unequal international specialization as the third world states by natural disposition were limited to the role of supplementary supplier.
Globalization has become IMF and World Bank prescription for poverty alleviation in the third world states. Against this background, international financial institutions advocated an increase reliance on free

market mechanism as a major factor for promoting economic growth and development. Many third world countries initiated their economic reforms in the direction that enhance a better roadmap for free market operation, thereby encouraging the role of private participation in the economic activities. Consequently, numerous public policy reforms were made in area of deregulation, privatization, commercialization, trade liberalization and currency devaluation to achieve an effective global interaction.

However, in the 1970s and 1980s majority of African countries failed to take advantage of the opportunities provided by globalization. It is either such countries have nothing to liberalized or they are mono-cultural in nature. Instead of becoming more integrated into the world economy, they suffered exclusion and economic stagnation which resulted to unprecedented level of poverty in Africa. In terms of head count ratio, the poverty incidence in Africa is 46 percent in 2001, the highest in the world (Nissanke and Thorbecke 2007). Economic growth in Africa, where it has occurred has not been translated into significant poverty reduction (Nissanke and Thorbecke 2007). The nature and pattern of integrating into the global economy in Africa as well as domestic conditions has not been conducive to generate virtuous cycles of globalization – induce growth as generally assume in Asia (Machiro and Thorbecke 2007).

THEORETICAL FRAMEWORK

Dependency Theory

Dependency theory aptly captured our discussion when adopted to mean an economic system where one country relies upon another for the purpose of her survival. Katznelson (1974) sees dependency as development alternative open to the dependent nations are defined and limited by its integration into and function within world market. According to Kelechi (2000), dependency theory is rooted in Lenin approach of international capitalist system; which sees capitalism surviving by extending its reach to the underdeveloped world. This can be explained, when some countries economic growth and development is determine by their relationship with others. The observed relationship in this context is the one between developed and developing nations of the world, where the development of the later is a reflection of the economic achievement of the former.

Dependency approach focused on income and technological inequality arising within the context of global competitiveness where those countries that are economically viable perpetually enjoy their dominance over others. A situation that is revealed in global institution (IMF, World Bank and WTO), where externalities dictate third world states soc-economic policies. Baran (1957) thesis, presents that, peripheral underdevelopment is caused by the loss of economic surplus to the centre; and his argument that the underdeveloped countries were not following a world evolutionary line toward capitalism and development, is much influenced by this theory.

Emphatically, the relationship between the developed and the less developed countries is dependent in nature. That is, from the relationship, the developed countries assumed self sustaining growth while the less developed can grow only at the reflection of the former. To put differently, the economic development of the developed countries is the poverty of the less developed nations of the world. Arguably, the relationship is the one where the developed countries advanced on the expense of the less developed ones. Dependence continues into the present, through international ownership of the region's most dynamic sectors, multinational corporate control over technology, and payment of royalties, interests and profit (Richard 1991).

Dependency theory primarily places responsibility for African's underdevelopment and poverty on the imperialist powers. These powers have impoverished Africa and the rest of the third world, to the extent that poor countries are depending on the rich ones today (Offiong 2001). The dependency theory aptly explains the effect of a global market economy, where the third world states are merely reduced to the role of supplementary suppliers without the power to determine the prices of their products.

LITERATURE REVIEW

Conceptualization of Globalization

The concept globalization presents inexhaustible meaning which can notbe kept in a single bucket due to divergent scholastic opinions and ideas. In most cases, the observed differences in opinions were based on scholar's subjective experience. The United Kingdom's Department for International Development (DFID, 2000) sees globalization as: The growing interdependence and interconnectedness of the modern world through increase flow of goods, services, capital, people and information; the process is driven by technological advances and reductions in the costs of international transactions, which spread technology and ideas, raise the share of trade in world production and increase the mobility of capital.

Museveni (2000) sees globalization as a new form of oppression and an unfair arrangement biased against the third world countries. According to him, MNC, the principal actors of oppression should be checkmated through their output, activities in building and maintenance of infrastructure and also their technological transfer at the institutional levels. To Museveni, whatever is globalisation is unfair treatment melted against the third world states. He was slop sided in his observation because, he did not see anything good in globalisation.Boutros-Ghali (1996), defines globalization as creating a world that is increasingly interconnected, in which national boundaries are less important, and is generating both possibilities and problems.

For Ghali, globalization entails economic stimuli that characterized by increase integration of national economies into a more vibrant international market. The problem he conceived in his definition may likely affect those third world countries that are not properly integrated into world market because of their mono-cultural bias. Offiong (2001) in contributing to this intellectual debate said that globalization is an orchestrated global economic interconnectedness which is hurting Africa badly through unconscionable poverty. Offiong position was a reflection of argument put forward by Boutros- Ghali (1996), when he observed that, global economy is driving large number of people in both developed and developing countries into deeper poverty. Offiong (2001) and Boutros-Ghali(1996) are ideologically constructed against the backdrop of economic and technology which are the instrumentalities of development.

Aina (2006), sees globalization as an unequal competition, initiated, defined and guided by the West in general and the USA in particular, but any third world nation alive to her responsibilities, and able to put her house in order, can effectively free herself from neo-colonial entanglements and benefit from the equitable trade and business aspects of globalization. His position portrayed that maintenance of guiding principles and rule of the game should be followed in order to achieved balanced economic growth. Wada (2003) opined that current talk on globalization, presents it as a general shrinkage of time and distance widening of opportunities for all, with a corresponding erosion of the power of states to oppress their population. Wada was focusing on privatisation policy that negates the sovereignty of modern states.

Cox (2002) sees globalization as two faced Roman gods. Janus one face portrays wealth, prosperity and opportunity, encouraged by falling trade barriers, global capital markets, technological progress and decreasing communications costs. While the other face Denus is disparities within, and as well as between countries, of whole regions threatened marginalization, of increasing asymmetries in political, social and economic power and danger, hardship, poverty and misery. His ideological classification is based on the existing poverty in the developing nations amidst globalisation.

Ake (1995), opined that globalization is not associated with universalism , it is concrete particulars that are being globalised. That what is globalised is not Yoruba but English, not Turkish pop culture but America not Senegalese technology but Japanese and German (Ake 1995). Shaferaeddin (1996) refers to globalization as the development of global net-work in the form of international consortia, cross-licensing agreements and joint ventures, the aim of which is either to reduce the cost of production by funding low cost suppliers of factors of production and material inputs and intermediate products or by expanding the market scope to enjoy economies of scale. His idea simply mean, a global firm attempts to market its products for the purpose of economic of scale thereby making profit at all levels.

Dunning (1994:4) in defining globalization thrown more light on its extent and depth as follows:

Globalization refers to the multiplicity linkages and interconnections between the states and societies which made up the present world system. It described the process by which events, decisions and activities in one part of the world come to have significant consequences for individuals and communities in quite distant apart of the globe. Globalization has two distinct phenomena: Scope (or stretching) and intensity (or depending). On the one hand, it defines a set of process which embraces most of the globe or which operates worldwide, the concept thereby has a special connotation.... On the other hand, it also implies intensification of level of interaction, interconnectedness or interdependence between the states and societies which constitute the world community.

The world system here implies the division of labour in the global market arena, where the developed nations in their economic prowess direct the world economic activities without regards of its consequence on the less developed nations who are the primary producers without bargaining power. Though the system connotes interdependence, it is actually the less developed nations that are increasingly depending on the developed nation of the world because of their economic viability

Globalization according to Guillen (2001) and Petrella, (1996), is a process, which leads to greater interdependence and mutual awareness among global actors. It also involves a process of global integration in which peoples of diverse interestare subjected to foreign influence which is visible in their daily activities. In corollary, Eugenio (2003), documented that globalization is often used to mean the rather narrow idea of growing international trade flows. It is also quite commonly employed to imply a multi border concept, a new interconnectedness, interdependent and unified world, in which everyone and everybody is a villager living in a close primitive to his or her fellow neighbours scattered all over the globe, sharing with them life and destiny. They were concern with unity of purpose that stimulates goal attainment. That is, to achieve the goal of globalisation, individuals, nations, states etc must be closely link as a united front with the idea of give and take, exchange of ideas, technology, division of labour etc, that exist in a family relationship.

GLOBALISATION AND POVERTY ALLEVIATION

Globalisation in the recent period is perceived as growth stimulant. That is, having the capacity to oil the wheel of development in both developed and developing nations of the world. As a matter of fact, whether globalisation has actually been successful in alleviating poverty is arguably predispose or subject to divergent opinions. Advocate of globalisation argued that poverty in the world has reduced drastically in the recent times. This is credited to them in their slogan, trade is good for growth and growth is good for the poor (Dollar &Kraay, 2001) This was in relation to job creation and poverty alleviation. Supporters of globalisation also argued that recent trends revealed reduction in global poverty (Sala-I-Martin,2002). Dollar and Kraay(2001) asserted that countries that globalised have higher economic growth and the income of the poor will increase with average income. On the overall, critics argued that the report that globalisation is favourable for poverty alleviation is based on error of assumption that lean on fast growth of China, Vietnam,India and that absolute poverty has increased in sub-sahara Africa and other developing countries while relative poverty has increased in the majority of countries(Lee &Vivarelli, 2006;Milanovic,2002b; Reddy and Pogge, 2002)

Globalization and African Poverty

Though the concept of globalisation came with good intention but it appeals as mix bag of heavy weight against Africa. Instead of growth and development, income has plummeted over time and poverty soars. The few African Nations egmauricous and Boswana may have achieved their growth due to variable other than trade and investment. As it is today, thirty three (33) of the 48 countries in Africa is regarded as least developed countries (UN, 2015). The era of globalisation as evidence in literature has not been without ups and down for the African economy. In most cases, this unhealthy economic integration for Africa is exacerbated by the nature of their products which has exhibited slow grow rate due to over population and emergence of substitution and income elasticity of demand for agricultural products(UCTAD, 2002; Gwynne, 1996)

Africa's economic weakness is revealed in the exports and imports dependence of Africa in the globalization era. Dopeke (2000) ,asserted that African countries continue to be exporters of agricultural and minerals raw materials and importer of capital goods, machinery, manufacture goods and energy. The pattern of specialization based on the comparative cost advantage remains slop-sided, which is partly apportioned to their poverty. Also, the demand for African raw materials is constantly declining in the world market thereby creating economic crisis in African states. According to Kawonishe (2001), this price fluctuation can be explain by over supply of products, the improved capacity of agricultural production in the north and declining the use of raw material on the modern industrial sectors. The globalized world is a world of highly specialized industry and services which the developed world have obtained but globalization in Africa further subject them to western economic vessels (Kankwanda 2000) . UNCTAD (1996), asserted that Africa is not in a privileged position to integrate into the world economy through globalization because they lack industrial and specialisation capability which are required for economic integration.

According to the United Nations Conference on Trades and Development (UNCTAD, 2002), the current form of globalization is tightening rather than loosening the international poverty trap. It also showed the existence of extreme poverty in developing countries, which had doubled over the past 30years to 302 million people; and that more than 100million people will be added by 2015 (UNCTAD 2002).The report concludes that globalization in effect has not given poor countries any relieve from poverty (UNCTAD 2002).

Most countries classified as "Least Developed" countries(Mali, Burundi, Central African Republic, Malawi etc.) have remained perpetually in that level in spite of globalization. Least developed countries position in the world economy is expected to be a transition from which countries learn to grow to become better economies, but reverse has been the case in Africa. Bahiamoune (2002) explores the effects of openness to international trade and found that openness to trade does not economically enhance poor countries in terms of growth and development.

The global expansion of foreign direct investment(FDI) and multi-national corporations(MNC), which are the instruments of globalisation, have disadvantaged developing countries due to shareholders profit drive (Chang 1998, Goldsmith 1996). While the developing countries drive for foreign investment standard are compromised and government spending may be diverted to other areas than health, educationetc, which are not of immediate need by the citizens(Nayyar 2001, Obstfeld 1998,Crotty Epstein and Kelly 1998).

As the world experience global economic integration, the third world states suffered much ecological problem arising from soil erosion and degradation due to over farming and destruction on marine life and pollution caused by industrialization, health problem and social cost due to rural-urban migration(Cole Z100; Daly 1996; Khor 1996,HWGNRD 1996; Larkin 1998, Scholter 1996 and Khor 2009). Globalisation with its strong advocacy of privatisation, undermine the provision of social services in the state, a situation that threaten the already inadequate welfare services in the developing nations of the world.

On this prevailing note, Obasanjo (2000) asserted, that African countries still have a long way to go. According to him, it is disconcerting that the problems of poverty, underdevelopment and global inequality did not only persist but exerting influence under a fast globalized world economy. He emphatically stated that:

Globalised has brought mixed blessings. The prosperity it engenders is unevenly shared among countries and regions of the world. While the industrialized countries remain major beneficiaries, the vast majority of member of our group have been unable to take advantage of the opportunities. Globalization has failed to spur economic recovery; faster growth, greater employment opportunities and poverty eradication in developing countries. Rather it has exhibited a tendency to accentuate the income and welfare gaps between the rich and the poor, among and within countries and region.

Another major problem in Africa induced by globalisation is increasing level of unemployment. The enthronement of industrialisation leads to displacement of craftsmanship without replacement and the large pool of the uneducated Africa cant be absolved in the modern industrial sector. Khor(2009), Menda and Sen(2004); Edward(2004);Azelama(2006); Spilimbergo, londono and Szekely(1999); Ogunrinola and Osabuohien(2010); Patterson and Okafor(2006), asserted in their studies that globalisation leads to unemployment arising from job cut, inadequate labour demand and economic insecurity for workers in developing nations.

CONCLUSION AND RECOMMENDATIONS

Though globalisation has its limitations in Africa, but its original conception is to facilitate growth and development within the continent in particular and the world in general. Few African countries; Botswana and Mauritius have benefited from globalisation while many others did not.

The reasons for this failure are legion and lack universal accusation. However, there are factors that can necessarily bring the entire Africa and the world in general to equitable practice to the benefit of all. Against this background, the following recommendations are necessary among others: For the African state to avoid being develop on the reflection of the development of the developed countries as enunciated in the theory, the rule of the game should be maintained and strictly followed to the letter. That is to say, rule of comparative cost advantage which allowed the developed nations to produce autocentric goods while the developing to produce supplementary goods should not be misinterpreted to the disadvantage of the developing nations. Accord should be respected and each should be allowed to develop along the area of its natural advantage, instead of boasting agricultural activities in the north to the disadvantage of the south.

There should be adequate domestic policy that will encourage exportation and discourage importation among the African nations. To achieve this infant industries will equally be protected against over-dumping of foreign goods and being encouraged with credit facility to boast their capacity. There should be adequate and functional infrastructural development that could encourage both local and international entrepreneur. That is, there should be durable and motorable roads network system, uninterrupted power supply, stable and affordable communication network system etc. All these will make environment business friendly, that international and local investors will be attracted and encouraged. There should be adequate, functional and independent institution strong enough to discharge it responsibility without interference. They should be autonomous and their revenue should be derived from the consolidated fund.

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Reasons Why Poverty Alleviation Programmes Fail In Nigeria

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Pp 130-152

Abstract
The threat of poverty, though global, is most disturbing in Africa. Human conditions in most African countries, Nigeria inclusive have greatly deteriorated; poverty is indeed one of the major problems against development in Nigeria; since independence, Nigeria is by every conventional dimension, a very poor country. This has been the most immediate and remote causes of almost all the social ills in the country. In spite of her abundant human and material resources, Nigeria has been regarded as one of the poorest countries with high level of misery; incomes have declined sharply, malnutrition rates have risen uncontrollably, food production hardly kept tempo with population growth, the capacity and value of health and educational services have not improved. Widespread and the harshness of poverty is a reality, a reality that is characterize by lack of food, clothes, education, other basic social amenities and insecurity; it has manifested completely in all facets of Nigeria's societal life; much of the problems which created poverty are structural and systemic, with its attendant effects on the state and the people; The issue of Poverty in Nigeria is therefore, so complex and numerous, such that it is assumed to be most challenging of all the problems of Nigeria. This ugly development made successive governments to devise measures of reducing the menace of poverty on lives of the citizenry, yet, the problem continued to be unabated. Based on the aforementioned observations that this paper discusses reasons why poverty alleviation programmes fail in Nigeria despite all efforts.
Keywords: *Alleviation, Failure , Policies, Poverty, Programmes*

INTRODUCTION

Nigeria is a West African country with about 152 million people as of 2008. It is by far the most populous country in the whole of Africa, although

Nigeria's GDP per capita has-been increasing through the course of time in nominal US dollar terms, many Nigerians is still living in poverty. Obviously, the average income per capita does not give the real picture due to Nigeria's high income inequality. Poverty is no doubt one of the greatest problems confronting the Nigerian people. Over the years, public policies have been designed to tackle the problem but poverty continues to increase; a large segment of the population experience poverty. The worst part of the situation is that, the rich grows richer and the poor grows poorer; that is, "poverty for majority and wealth for minority"; Poverty in Nigeria remains significant despite high economic growth, Nigeria has one of the world's highest economic growth rates (averaging 7.4% over the last decade), a well-developed economy, and plenty of natural resources such as oil and minerals. However, it retains a high level of poverty,

Efforts were made by governments at all levels at different times to arrest the situation, by introducing different kind of poverty alleviation programmes and policies yet, all attempts proved abortive. The crucial question is: why have these public policies failed and what kinds of policies are needed to eradicate poverty in Nigeria? It is the desire to seek answers to this nagging question that prompted the purpose for this article. The paper is discussed under seven sub topics, they are: introduction, literature review which examined briefly, the causes of poverty in Nigeria, effect of poverty on Nigerian society, concept of poverty alleviation in Nigeria, measures of poverty, why poverty alleviation programmes fail in Nigeria, ways through which poverty can be reduced in Nigeria ; summary, conclusion and recommendations.

Methods and techniques data collection and tools employed for data analysis.

The method used in obtaining data for this essay is secondary sources, i.e. by reading relevant literature on the subject area; resources like books, journals, News papers, Academic magazines, conference papers, seminars and workshops, students projects, theses and dissertations (both published and unpublished were consulted. The technique applied to analyzed the data is the content analysis technique.

LITERATURE REVIEW

Causes of Poverty in Nigeria

This section focuses on some of the key factors that contribute to poverty in Nigeria: unemployment, especially among young graduates; corruption, especially among political office holders; non-diversification of the economy; income inequality; laziness, especially among those who come from wealthy households; and a poor education system; Some of the more obvious effects or dimensions of poverty in Nigeria are also examined and recommendations were made at the end of the discourse.

Various scholars have attempted to describe factors that have exacerbated the poverty situation in Nigeria. They include among other factors the following:

- Unstable political history
- Lack of accountability
- Mismanagement and Corruption
- Poor administration of justice
- Poor policy formulation, implementation and evaluation
- Lack of involvement of the poor in policy formulation and implementation.
- Dependence of the economy on oil
- Poor economic policies and management
- Poor revenue allocation and distribution
- Ethnic and religious conflicts
- Poor infrastructures (Abga 2012)

Poverty in Nigeria represent suffering in the midst of plenty. Nigeria is among the 20 countries in the world with the widest gap between the rich and the poor. The Gini index measures the extent to which the distribution of income (or in some cases consumption expenditure) among individuals or households within an economy deviates from a perfectly equal distribution.

A Gini index of zero represents perfect equality while an index of 100 implies perfect inequality. Nigeria has one of the highest Gini index in the world. The Gini index for Nigeria is 50.6. This compares poorly with other countries such as India (37.8), Jamaica (37.9), Mauritania (37.3) and Rwanda (28.9).Gini (2012)

Effect of Poverty on Nigerian Society

The level and effects of poverty on the socio –economic lives of the people in Nigeria is very alarming. Rapid socio –economic empowerment as the most sustainable policy for poverty reduction was identified as a form of poverty alleviation policies but all efforts seem to defy solutions in that, the policies and the massive investment of public fund into the programmes did not improve or translated into practical reality in the living condition of the people. Poverty had impacted negatively the people, resulting into underdevelopment, insecurity of lives and property as exacerbated by the activities of insurgency and terrorism in recent years in the North eastern part of the country, lack of capacity building and lack of capital to invest in agriculture as the major occupation of the rural polity, unemployment among youths, poor education due to parent's inability to sponsor their children to school as a result of poverty. Abga (2012)

CONCEPT OF POVERTY REDUCTION IN NIGERIA

This section examines the concept and theory of poverty reduction in Nigeria.

Defining of Poverty Reduction

Just as poverty has been variously defined, its alleviation also has been proposed in various ways. Poverty alleviation can come by way of improvement in the provision of social infrastructure; social services and reduction in unemployment (Post express 2000:28). Government investment in agriculture, education, housing, health, Road construction, credit for micro enterprises and job creation can lead to poverty alleviation and reduction in human misery. (Ifah 2000: 7-9). Poverty alleviation by the private sector can come by way of provision of micro-credit facilities to farmers and business men, giving low interest loans, training/skills, development/acquisition and contribution to community development (Gambari 2000:4). Poverty alleviation can also be achieved through the "creation of general condition which allows man to live in dignity, where people are free to take their own decisions in life and where the poor participate in social political and economic decision making" (Repnik 1994 cited by Tella 1977 and Okafor 2000:7)

In his contribution on the discourse on poverty alleviation, Gazali (2000:2) saw it as a "deliberate policy or strategy instituted by government and non government organizations (NGO'S) aimed at tackling the problem associated with poverty. That is, a policy aimed at reducing the misery, hardship and suffering of the people caused by being poor.

Whereas there is no universally accepted definition of poverty and its alleviation, scholars' perception and understanding of the subject matter also differs. There are scholars such as, Kissinger (1996); Bulus 1998:1-14) Revallion (1992, cited by Baulch 1996:2); who see poverty and its alleviation in terms of income, consumption and material holding, while another group such as the World Bank (1996:9); Karta (2000:1-3), Olowoni 1997 cited by Okafor 2000:2); see poverty alleviation as a combination of intangibles such as love, security, respect, social acceptance, participation in community activities, and provision of social infrastructure like roads, health services, electricity water, schools etcetera. They see poverty as multidimensional and multifaceted, so its alleviation also requires multifaceted approach, which encompasses income and consumption, employment opportunities, the intangibles and provision of social infrastructure and access to community resources (common property resources).

All these have combined to motivate the different regimes in the country to develop different intervention programmes like the National Poverty Eradication Programme (NAPEP) and National Economic Empowerment and Development Programmes (NEEDS), etc. Poverty affects both rural and urban areas and is associated with low standard of living. Since the Mid 1990s when most African countries including Nigeria, adopted the Structural Adjustment Programme (SAP) in response to deteriorating socio-economic conditions, there has been a revival of interest in poverty and poverty alleviation. This is due largely to the worsening human development profile of countries which adopted structural adjustment. The Breton Woods Institutions as well as other multi-national and donor agencies have become propagators of poverty alleviation policies aimed at cushioning what came to be regarded as the short-term effects of structural adjustment.

According to World Bank (1986), "340 million people in developing countries in 1980 did not have enough income for a minimum calorie diet that would prevent serious health risk and 730 million did not have enough income for a diet that is required for an active life. The African continent alone accounted for half of the population of those people" What is responsible for the high rate of poverty? One could argue that the strategy on poverty alleviation is a good development but there has been a wide gap between policy formation and implementation in the country and this has affected the overall development of the nation in so many ways. Olomide, argues that the implementation of poverty eradication programme, which has always been the problems of developing countries like ours, has not met the aspirations, yearnings and expectations of most Nigerians, though poverty cannot be eradicated completely, it can and be reduced to a very minimal status. Even before Nigeria could produce an Interim Poverty Reduction Strategy Paper, it abandoned the PRSP process for the National Economic and Empowerment Development Strategy (NEEDS). It is important to point out that the terms reduction, alleviation or eradication as applied to poverty is not just a matter of semantics but are heavily ideologically loaded. The neo-liberal approach to poverty takes the view that poverty cannot be eradicated but can only be reduced or alleviated. Indeed neo-liberalism is based on the view that there must be the rich and the poor in society and that political power ought to be in the hands of those who own property.

Our review have demonstrated that poverty is deeply embedded in African social structure at all levels and that political systems have militated against rather than promoted poverty reduction, thus sustainable poverty reduction will only be achieved through social and political change. Most African governments have had poverty reduction on top of their policy agendas, but practice has fallen short of the ideals. Various governments have been genuinely committed to social change, however effective steps towards poverty reduction require more concerted efforts than in the past and call for a method that enable the poor to sanction government. More so, each country's strategy must be borne out of a process of consultation and resulting government commitment to agree upon poverty reduction goals.

Poverty reduction requires increase in the rate of economic growth and improvement in income distribution, but in the end, poverty reduction is ultimately a mere political propaganda, just to achieve political patronage from political cohorts. Governments that are not politically committed to poverty reduction will always find other areas and projects on which to spend the surpluses generated by the economy. Experiences from across Africa show that where governments have the will to act, they have the capacity to achieve results. Greenley and Jenkins (1999), however, opined that poverty reduction need not always derive from altruism. It is important for sustainable development and can even be so for political survival, and might become more so as political survival as political systems became liberalized. The disruptive political changes of the past decades have partly stemmed from the dissatisfaction of the common people.

This is so because African poor have little means of exercising their collective power, in this regard, the new emphasis on decentralization as a means of a greater rural participation might prove a useful means of getting the voices of the poor heard, although doubts have also been expressed about this. More generally, the growth of civil society, including a free press, would create mechanism that holds government accountable in ways that can protect the poor. Thus, policy makers' unwillingness to concede to the seriousness of poverty problem also meant that the capacity for evaluation, policy prescription and monitoring has been poorly developed. As the process of internalizing poverty reduction policies gets under way in most African countries, it would be necessary to develop capacities in all areas of poverty In Nigeria agencies such as: the Directorate of Food, Roads and Rural Infrastructure (DFFRI), the National Directorate of Employment (NDE), the Better Life Programme (BLP), the Family Support Programme (FSP), Agricultural Development Programme (ADP), the People's Bank of Nigeria (PBN) etc.

At other times, the Poverty Alleviation Programme (PAP) was launched. Then, it was changed to Poverty Eradication Programme (PEP). While implementing the PEP, the Federal Government of Nigeria embraced the Poverty Reduction Strategy Process (PRSP) initiated by the World Bank in 1999; the Family Economic Advancement Programme. (FEAP); National Economic Reconstruction Fund (NERFUND); Nigerian Agricultural Land Development Authority (NALDA); National Directorate of Employment (NDE); Nigerian Agricultural, Co-operative and Rural development Bank (NACRDB); National Centre for Women Development (NCWD); National Primary Health Care Development Agency (NPHCD); National Poverty Eradication Commission (NAPEC); Universal Basic education (UBE) and the New Partnership for Africa's development (NEPAD) which was launched with a view to "fighting" poverty by strengthening the economies of African countries through the enhancement of production and export of "indigenous" goods and services at acceptable market conditions.

Theoretical Framework

For the purpose of this piece of writing, it is imperative to state that the initial effort at poverty alleviation have fundamentally centered on the "basic needs" approach developed in the 1970s and supported by the World Bank. This approach emphasizes the importance of separating generalized increase in income from more significant attainment requirements for a permanent reduction of poverty through the provision of health services, education, housing, sanitation, water supply and adequate nutrition. The rationale of the approach was that, the direct provision of such goods and services is likely to relieve absolute poverty more immediately than alternative programmes.

INDICES FOR MEASURING POVERTY IN SOCIETY

In pure economic terms, income poverty is when a family's income fails to meet officially established thresholds that differ across countries. Typically, it is measured with respect to families and not the land is adjusted for the number of persons in a family. Economists often seek to identify the families whose economic position (defined as command over resources) falls below some minimally acceptance level; similarly, the international standard of extreme poverty refers to the possession of less than one US dollar a day. One is bound to ask, who are the poor and what measure or yardstick used to determine the poor? The general poverty line is one who earns less than $1 dollar per day, but several recent studies on poverty have demonstrated the usefulness of breaking down a population into sub-groups defined along ethnic, geographical or other lines. Such an approach to the analysis of measuring poverty is related to how the measure relate group poverty to total poverty, hence one would expect that decrease in poverty status of one subgroup should lead to less poverty of the population as a whole.

Poverty could be seen as a property of the individuals' situation rather than a characteristic of the individual or his pattern of behavior (Goodhart, et al (1976). In this context, poverty is said to be a situation where command over resources fall below a status known as the poverty line. The problem of determining an appropriate poverty line, and thus identifying those who are classified as poor, has always been one of the principal methodological issues in the analysis of poverty. According to Foster and Shorrocks (1988), various procedures have been developed, based on alternative concepts of poverty. But a feature common to all proposed methods is a significant degree of arbitrariness in the value assigned to the poverty standard. It was ascertained that household size, number of children and dependence in a household, employment status of the head of household, poor educational status and the gender of the head of the household are few among the indices for measuring the status of poverty in the socio-economic status of the people in our society. It was identified that most of the household, especially in the rural areas in Nigeria were large in size, with many children and dependence; most household heads were not well educated nor gainfully employed but mostly engaged in farming and petty trading. Previous work done on poverty assessment showed that status and trends of poverty vary substantially by differences in household heads and composition; and by the demographic characteristics of the head of household. These include:

(a) **Household Size:** Poverty is believed to increase more or less with household size; poverty is usually higher among larger households with more members (Lanjouw and Ravalion, 1994: Al-Saleh, 2000: WBI, 2001).

(b) **Gender of Household Head:** Gender of the household head significantly influences household poverty. Household headed by women were usually poorer than those headed by men (Datt, 1998; Ajakaiye and Adeyeye, 2002: WBI, 2001).

(c) **Number of Children and Dependants:** The more children a household has, the poorer the household (Al-Saleh, 2000). Also poverty increases with an increase in the number of dependants (Datt, 1998).

(d) **Employment Status of Household Head:** Poverty increases with the unemployment rate of household heads (Biewen and Jenkins, 2002; Ajakaiye and Adeyeye, 2002: Athukorala, 1998 and Santarelli and Figini, 2002).

(e) **Educational Status of Household Head:** The higher the status of education of household head, the lower the incidence of poverty (Ajakaiye and Adeyeye, 2002; Biewen and Jenkins, 2002).

(f) **Age of Household Head:** The incidence of poverty was higher among elderly household heads (Biewen and Jenkins, 2002).

WHY POVERTY ALLEVIATION PROGRAMMES FAIL IN NIGERIA.

While the fact that the incidence of poverty remains very high, the existence of the various programmes notwithstanding, points to the ineffectiveness of the programmes and effort. From the perspective of this write up, there are several reasons why public policies in Nigeria have failed to stem the rising tide of poverty in the country; first, there is confusion among policy makers on the approach to deal with the poverty situation in Nigeria. It has also been established that very few essential infrastructure that are capable of enhancing the quality and living standard of the people, is nonexistent or inadequate where they exist. The society is characterized by depression, degradation and deprivation resulting in abject poverty that is manifested by the absence of good road network, potable water, health facilities, electricity and poor housing, etcetera. Obadan (1997). This paper examines reasons why poverty alleviation programmes in Nigeria most often fail; apart from those stated above, the under listed factors could be adduced, Such as:

(i) Lack of targeting mechanism for the poor and the fact that most of the programmes do not focus directly on the poor.

(ii) Political and policy instability have resulted in frequent policy changes and inconsistent implementation which in turn have prevented continuous progress.

(iii) Inadequate coordination of the various programmes has resulted in each institution carrying out its own activities with resultant duplication of effort and inefficient use of limited resources. Overlapping functions ultimately led to institutional rivalry and conflicts. Thus, politics of personal rule – a distinctive type of political system in which rivalries and struggles for power and willful men rather than impersonal institutions, ideologies and public oriented policies.

(iv) Severe budgetary, management and governance problems have afflicted most of the programmes, resulting in facilities not being completed, broken down and abandoned, unstaffed and equipped.

(v) Lack of accountability and transparency thereby making the programmes to serve as conduit pipes for draining national resources.
(vi) Over-extended scope of activities of most institutions, resulting in resources being spread too thinly on too many activities. Examples are DFRRI and Better Life Programmes which covered almost every sector and overlapped with many other existing programmes such as NDE.
(vii) Inappropriate programme design reflecting lack of involvement of beneficiaries in the formulation and implementation of programmes.
Source: CBN Economic and Financial Review (1999)Vol 39 No.4
Consequently, beneficiaries were not motivated to identify themselves sufficiently with the successful implementation of the programmes.
(viii) Absence of target setting for ministries, agencies and programmes.
(ix) Absence of effective collaboration and complementation among the three tiers of government. Hence, no agreed poverty reduction agenda that can be used by all concerned – Federal Government, State, Local and the International Donor Community.
(x) Most of the programmes lacked mechanisms for their sustainability. Not only has the failure to ensure the successful implementation of the various programmes and policies made the incidence of poverty to loom long, the phenomenon has continued to spread and deepen.

Very many factors have tended to compound the poverty situation, coupled with those stated above are: slow economic growth, economic mismanagement, infrastructural deficiencies, weak political commitment to poverty alleviation programmes and measures, and a host of macro-economic and sectoral problem such as: inflation, rising unemployment, exchange rate depreciation, external debt overhang, etc (CBN, 1999:68-73). These problems are also acknowledged by the government as enunciated by Aliu (2001:4-5) as follows:
(i) Poor macro-economic and monetary policies resulting in low economic growth rate and continuous downwards slide in the value of naira since 1986;

(ii) Dwindling performance of the manufacturing sector which has the capacity to employ about 20 million people but currently employs only less 1.5 million by the more than 2,750 registered members of the Manufacturers Association of Nigeria (MAN);

(iii) Poor management of the nation's resources, coupled with large – scale fraud and corruption, most of which has been siphoned out of the country in hard currency;

(iv) Poor execution of government programmes and projects especially those aimed at the provision of social welfare services and those aimed at the provision of economic infrastructure. Another reason why the policies have failed is the lack of co-ordination of the various programmes and inability to target the poor and vulnerable.

Finally, the programmes do not have connection with other programmes and policies that should have impact on poverty situations. We have argued elsewhere that poverty is complex and multidimensional and requires multi-sectoral approach in its eradication.

HOW POVERTY CAN BE REDUCED IN NIGERIA

The dimension of poverty in Nigeria today is difficult to unravel. The Nigerian economy itself has over the years traversed through a series of reforms that aims at improving the health of the economy. The economy however remains a toddler, struggling to find a sense of direction. Poverty alleviation has focused on poverty reduction in recent times and that has led to a shift from income inequality. The implication of this shift is that, such a shift obviously means more direct concern for those who are worse off such as the poor. It could also mean directing attention to the rural areas where poverty burden is larger; hence, there should be grassroots consideration of policy focus, which ultimately tends to reduce the tension between the simultaneous objective of improving the distribution of income and accelerating growth.

Scholars have argued that to eradicate poverty requires strategies for special protection of the poor and marginalized; participation of the poor;

mitigating the negative sides of the market; regulating transnational corporations; provision of a clean, healthy and decent environment; promotion of the right to development; performance by the state of its role especially in regulation and provision of social services and joint action by different actors in all kinds of political, economic and legal means. The policies that have been implemented in Nigeria lack the above elements.

As Economic Commission for Africa correctly noted, Nigeria's recent economic history shows that the country has rarely committed to the right policy mix to translate its formidable potential into economic performance. There have been a lot of studies that have tried to explore the relationships between poverty and corruption. Most of the study leads to the conclusion that corruption exacerbates conditions of poverty (low income, poor health and education status, vulnerability to shocks and other characteristics) in countries already struggling with the strains of economic growth. Similarly, countries experiencing chronic poverty are seen as natural breeding grounds for systemic corruption due to social and income inequalities and perverse economic incentives. A review of the literature points to the conclusion that corruption by itself does not produce poverty but rather, corruption has direct consequences on economic and governance factors, intermediaries that in turn produce poverty; also, corruption impedes economic growth by discouraging foreign and domestic investment, taxing and dampening entrepreneurship, lowering the quality of public infrastructure, decreasing tax revenues, diverting public talent into rent-seeking, and distorting the composition of public expenditure.

In addition, corruption exacerbates income inequality and distorts the economy's legal and policy framework. The governance factors include the fact the corruption reduces governance capacity through weakening political institutions and citizens' participation leading to lower quality government services and infrastructure. The effect of corruption on poverty was aptly described by the former United Nations Secretary General; Kofi Anan when he said:

Corruption hurts poor people in developing countries disproportionately. It affects their daily life in many different ways, and tends to make them even poorer, by denying them their rightful share of economic resources or life saving aid. Corruption puts basic public services beyond the reach of those who cannot pay bribes. By diverting scarce resources intended for development, corruption also makes it harder to meet fundamental needs such asr food, health and education. It creates discrimination between different groups in society, feeds inequality and injustice, discourages foreign investment and aids, and hinders growth. It is therefore a major obstacle to political stability and to successful social and economic development.

Similarly, the 2006 Corruption Perception Index points to a strong correlation between corruption and poverty with a concentration of impoverished states at the bottom of the ranking. The relationship between corruption and poverty is therefore a vicious circle. According to Harford:

The rot starts with government but it afflicts the entire society. There's no point investing in a business because the government will not protect you against thieves. (So you might as well become a thief yourself.) There's no point in paying your phone bill because no court can make you pay. (So there's no point being a phone company.) There's no point setting up an import business because the customs officers will be the ones to benefit. (So the customs office is underfunded and looks even harder for bribes.) There's no point getting an education because jobs are not handed out on merit. (And in any case, you cannot borrow money for school fees because the bank will not grant you the loan.)

The correlation between poverty and corruption has made some scholars to suggest that the fight against both development problems must be co-ordinate and linked. According to Eberlei and Fuhrmann (2005) corruption is a cause of poverty and constraint to successful poverty reduction hence:

The fight against poverty is closely linked to the fight against corruption. In fact, the two are inter-linked. Corruption is one cause of poverty. It impedes poverty reduction. Poverty is one cause of corruption. It impedes the fight against corruption. In the poorest countries in particular, which are afflicted by structural poverty and systematic corruption, the fight against corruption can only be successful (i.e. the two problems can only be reduced) if and when the two phenomena are addressed on a co-ordinate basis.

Similarly, on the basis of similar argument, other scholars have concluded that anti-corruption programs crafted to address economic growth, income distribution, governance capacity, government health and education services and public trust in government are likely to reduce corruption and poverty as well.

SUMMARY

Findings from ensue from this work indicated that poverty alleviation programmes in Nigeria do not impacted positively on the socio-economic lives of the people, because most of the programmes were characterized by partisan politics, greed, selfishness and lip service by politicians, lack of employment opportunities and lack of support from government. Most of the programmes were not directly targeted at the poor but the programmes were mainly used by government and its officials to embezzle and enrich themselves, hence the programmes were designed to give legality to the fraudulent and corrupt practices of the politicians and their allies.

It was also revealed that lack of proper accountability and transparency, lack of sustainability and continuity, as well as weak political commitment of our leaders were the orders of the day. This has resulted to much disenchantment and dissatisfaction with such programmes.

Most communities in Nigeria lack infrastructural facilities like road, potable drinking water, access to qualitative health care delivery and other things necessary for comfortable modern living standard.

Some of the problems militating against the successful implementation of poverty alleviation programmes include inadequate or improper coordination of programmes by government agencies. Lack of involvement in planning, implementation and evaluation of programmes by the beneficiaries. The issue of fraudulent practices and corruption became evident in our findings which might have been one of the major reasons for lack of involvement of the beneficiaries in the decision making process and implementation of the poverty alleviation programmes. The attitude of the local government chairmen in the country towards handling poverty alleviation programmes does not help matters, especially the choice of their relations, friends and acquaintances only to participate and enjoying the benefit of poverty alleviation materials.

The major concern of poverty alleviation entails improved standard of living, however it was very unfortunate that most of the poverty alleviation programmes in the country were not tangential and no explicit objectives of all the plans. Most of the poverty related objectives spelt out in these programmes include, increase income, even distribution of resources, reduction in the status of unemployment and increase in the supply of high level manpower, but it was very unfortunate, findings underscored lack of economic empowerment among women and youths in the rural areas.Reduction of unemployment would have been considered a necessary condition for poverty reduction but most Nigerian youths and graduates live in abject poverty and lacking in the basic necessities of life due to unemployment, which alternatively compelled school leavers and graduates resorted to engaging in nefarious activities such as cultism, cybercrime, militancy, kidnapping, insurgency and terrorism.

The priorities and programmes enunciated virtually in all the poverty alleviation programmes in the country showed that agriculture was always accorded the highest priority simply because majority of the Nigerian populace that dwell in the rural areas were mostly farmers yet, they were not provided with enough basic agricultural inputs required to guarantee food security for their communities, state and country at large.

Rural development is viewed as being central to all the poverty alleviation programmes whether by the Federal, state or local governments, yet most of the rural communities were neglected in terms of provision of social amenities like hospitals, rural water supply, electrification, roads, whereas, in the light of government's concern for poverty reduction, numerous policies and programmes have been designed at one time or the other, if not to meet the special needs of the poor, at least to reach them. These policies usually come out more forcefully with the need to alleviate and provide safety nets for the poor. This was precipitated by the awareness of the accentuated negative effects the policies have on the vulnerable group in the society, but lacked emphasis on development, socio-economic problems of income inequality, unequal access to food, shelter, education, health and other necessities of life which had ultimately aggravated the incidence of poverty among the vulnerable group in our society.

Corruption had been generally acknowledged as having adverse effect in almost all the poverty alleviation programmes of the various levels of government, which suggest that corruption had been one of the aspects of bad governance. The anti corruption crusade of the present administration was expected to have favorable implication for poverty alleviation programmes, if successfully carried through, ensuring that corruption and other sharp practices at any stage of the programmes were not condoned but severely punished; the manifestation and problems associated with corruption have various dimensions, among these were, project substitution, plan distortion, misrepresentation of project finances, and diversion of resources to other uses to which they were not meant, including conversion of public funds to private projects. The effect of corruption is both direct and indirect, on the one hand, the indirect effect allows for the promotion of misapplication of resources which impede growth rate and potentials, hence when growth rate were lowered, there would be no outputs and income growth potential, so poverty could escalate. On the other hand, the direct effect was that the poor were denied resources and access to facilities that could have been provided through judicious application of the siphoned / diverted resources.

From the foregoing discussion poverty has its negative impacts on society, it was clear that the programmes have failed in meeting the needs of the common man, in that all the problems highlighted or discussed were practicably visible in our society.

CONCLUSION

In conclusion, it is imperative to state that, considering the magnitude and dimensions of poverty in the Nigerian society, the poor are deprived. People cannot participate directly in broad growth process, and given the dimension of impoverishment among the Nigerianm people, they were not able to have access and use the social and economic infrastructure which would improve human capital. In spite of the various poverty alleviation programmes undertaken by government and other agencies in the country, poverty is still a major challenge for the country, and that inspite the of various programmes enunciated by governments at one time or the other; they have not impacted much positively nor the lives of the people improved, therefore, government and policy makers must live up to their task and find lasting solution to address the situation.

RECOMMENDATIONS

1. One major problem that has affected poverty alleviation programmes in the country is the lack of continuity in the implementation of poverty alleviation programmes, hence, there is need for the government to ensure continuity in all poverty alleviation programmes.
2. There should be a mechanism that will ensure effective collaboration and synergy among the local, state and federal government in the execution of poverty alleviation programmes.
3. Government must ensure that accountability and transparency is strengthened and encouraged in the implementation of poverty alleviation programmes.
4. The poor for whom the programmes are implemented do not participate in the conceptualization, implementation and evaluation of the poverty alleviation programmes; however when citizens participate in the planning, execution, utilization and assessment of programmes, participation gives

the people the pride of ownership of the facilities completed in the process of community development. The very idea of a community doing something for itself through the participatory effort of its people depicts development at its best; therefore poor people should be directly involved in policy formulation, implementation and evaluation.

5. Corruption which is considered as a major factor for poverty should be tackled with seriousness and perpetrators should be brought justice.

6. Government must have the political will and commitment to match action with words, not just a mere lip service in the implementation of poverty alleviation policies and programmes.

7. The agricultural sector which is the major pre -occupation of about 70% of Nigerians should be the utmost priority to provide food security and mitigating poverty in society.

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Theoretical Perspective of Strategic Studies and Application of Strategy in Politics and Businesses

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Abstract
Strategic studies as a branch of knowledge has metamorphosed from a one-dimensional discipline to a multifaceted field of study. This paper which is just an excursion into this arena of knowledge attempts to carry out a narrative of some of the stages of the field's development. It first and foremost defines relevant concepts, attempts to capture the theoretical perception of the discipline before moving into how the field's concepts, theories and approaches now find themselves enriching other areas of endeavour especially those associated with politics and businesses.
Keywords: Strategy, Strategic Studies, Strategic Tools, Politics, Business

INTRODUCTION

The aim of every contesting participant in any competitive game is to attain victory by outscoring the opposing team. The game plan to achieve this victory is strategy. Similarly, wars are fought to achieve victory and to achieve this, each warring side must aim at critical targets. Writing in 1926, in 'foundations of the science of war', the British military theoretician John Fuller stated that until the emergence of modern warfare, a conflict was often decided by the killing or capture of either of the opposing generals. This according to the scholar, the general was the plan (Britannica Student Library, 2007). This revelation is corroborated by historical realities which for instance saw Alexander the great planning battles and leading his troops into combat to ensure the proper execution of his strategy. In the days of Napoleon Bonaparte too, historians attested to his practice of often surveying battlefield scenes with his advisers from the top of nearby hills. Generals were also often found at the forefront of battles during the American Civil War. Stonewall Jackson for example is known to have died from a wound incurred on the battle field of Chancellors Ville. All these notwithstanding, modern warfare has observably altered the nature of strategy. This is because one general alone no longer plan wars, campaigns or battles. Instead specialised staffs are now in charge of strategy and many planning functions must be delegated. Strategy creation in recent times resembles more than anything else the planning session of a major corporation. In fact the use of strategy both in theory and practice have permeated almost every area of human endeavour as the concept is now being utilised in business, politics and marketing.

This paper attempts to conceptualise strategic studies, digs into its historical background and considers the discipline's theoretical perspective. It further delves into an assessment of the feat of the field particularly with regards to its practical application in many other areas of knowledge. In this light therefore apart from this introduction, the other part of this discuss is segmented as follows: Conceptual clarification and Theoretical Perspective; the Historical development of strategy and Tactics; Strategy and predominant principles of war; Application of strategy in Politics and businesses; and finally, the Concluding remarks.

CONCEPTUAL CLARIFICATION AND THEORETICAL PERSPECTIVE

One of the most logical approaches to determine what strategic studies entail is to start with a conceptualisation of the possessive word 'strategy' which on its own has been conceived variously. A common definition derived from most online encyclopaedias and some dictionaries conceives the term as a long term plan of action designed to achieve a particular goal, most often 'winning'. But it is imperative that we understand that the word itself is an amalgam of two other words with Greek origin which are Stratos (army) and ago (leading). These two form the Greek term - stratagos – which is used to refer to a military commander. The foregoing etymology informs why war theorists like Carl Von Clausewitz and Mao Tse Tung initially conceptualise strategy solely from militaristic perspective. While Clausewitz is often slammed by contemporary strategic thinkers for understanding strategy as the employment of battles as the means towards the attainment of the object of war ... involving the plans for the separate campaigns and regulates the combats to be fought in each (Clausewitz, n.d.:165), Mao Tse Tung (1968:13) recognised the science of strategy as the study of those laws for directing a war that govern a war situation as a whole. But the conception of strategy has changed over time despite the enduring submissions of the thinkers exemplified above. This changing definition is reflected in the grand strategy perspective which defines strategy as the art of employing all elements of the power of a nation or nations to accomplish the objectives of such nation(s) or an alliance in peace or war. Again, while Mbachu (2007:16) who cited Momah acknowledges strategy as the management of an army or armies in a campaign, or the art of moving troops and war arsenals so as to impose on the enemy the place, time and condition for fighting, he observed however that strategy in recent years just like in ancient Greece or Rome very much involve the consideration and evolution of the various choices available to states in their use of military force for ends clearly defined by political authorities.

It is this aspect of considering and evolving choices which are aimed at victories that actually permeate into contemporary conception of the term. Hence while the purely military definitions of strategy no doubt still have a place in the narrow field of tactics which is concerned with the skill for dealing with the immediate needs of the battle field (Greene, 2006: xx), the strength of such definitions have been weakened by scholarly and professional attempts to apply some theoretical elements of strategy into other civil engagements or competitions. It is therefore recommended that attempts at proffering a satisfactory definition of the subject should take into account the peace time definition of strategic thoughts. It is in this light that scholars and strategic thinkers alike developed the concept of Grand strategy which in an objective context measures the mobilization of all national means and resources such as military, diplomatic, economic, demographic and political to ensure security at the minimum cost possible. As Ellis Jones et al. (1998:73) rightly posited, the nature of the strategy adopted and implemented emerges from a combination of the structure of the organisation, the type of resources available and the nature of the coupling it has with environment and the strategic objective being pursued.

This of course makes war a too important business to be left to the soldiers alone. This gave rise to the concept called grand strategy which encompasses the management of the resources of an entire nation in the conduct of a war. In the grand strategic environment, the military component is largely reduced to operational strategy encompassing only the planning and control of large military units such as brigades, battalions and divisions. As the size and number of the armies grew and the technology to communicate and control improved, the difference between "military strategy" and "grand strategy" shrank. Fundamental to grand strategy is the diplomacy through which a nation might forge alliances or pressure another nation into compliance, thereby achieving victory without resorting to combat. Another element of grand strategy is the management of the post-war peace. As Clausewitz stated, a successful military strategy may be a means to an end, but it is not an end in itself (Strachan, 2007:319). Of course, there are numerous examples in history where victory on the battlefield has not translated into long term peace, security or tranquillity.

From the foregoing one can describe strategic studies as an interdisciplinary academic field of knowledge which is centred on the study of conflict and peace, whether as a dependent or independent variable. As a practical activity, Igwe, (1989:1) describes strategic studies as the application of certain conceptual and methodological principles to the evaluation of the military–security and other related capabilities, intentions and conduct of peoples and states. Theoretically, strategy from whatever angle one perceives it, is all about making choices which ultimately affect outcomes. This therefore means that those who are involved in evolving strategies in whichever field of human endeavour are likely to carry-out their activities within a common framework. This common framework referred to as the 'strategic thought processes' which comprises four stages are listed as follows: Identifying the conflict; Deciding the policy; Deciding the strategy to achieve policy objective; and Putting strategy into action. While we appreciate these thought processes as enunciated above, we must be quick to point it out that the process is not elaborate enough to guide amateurs into designing a concrete strategy or one with a higher potential towards success. This concern perhaps might have equally bordered Akpuru-Aja (1999) into coining what is today known as the seven fundamental elements of strategy. These are:

a. Clear definition of vision, goal or objective sought
b. Political formation or legislation to give force of law to the desired objectives
c. A broad plan of action which links the policy and the desired objectives. This serves as a theoretical guide towards implementation and monitoring of programme of action
d. Information control – this is important because plan is not an abstraction, instead it is data based. Strategy as a plan seek to control timely and accurate information for crucial decision making
e. Timing – All strategic plans have time frames. Every strategy has a limit. That is its about specific time limit in which set goals and objectives must be achieved.
f. Cost effectiveness – this is a very vital element of consideration in strategic planning as there is no room for trial-by-error. The best goal achieved by any strategy is the one that minimises cost in terms of finance, energy, time and perhaps lethalness.
g. Implementation and monitoring – this ensures that the plan of action follows the theoretical values of strategy.

HISTORICAL PERSPECTIVE AND APPLICATION OF STRATEGY

The historical roots of strategy and tactics date back to the origin of human warfare and the development of large scale government and empire.

Sun Tzu and Chanakya are famous with some of the earliest known documented efforts on the principles of military strategy dating as far back as 500 BC. The campaigns of Alexander the Great (356-323 BC), Hannibal (247-183 BC) Julius Cæsar (100-44 BC), Khalid ibn al-Walid (?-642), including, Cyrus the Great (600?-530 BC), demonstrated strategic planning and movement. As Mahan for instance describes in the preface to *The Influence of Sea Power upon History* the Romans used their sea power to effectively block the sea lines of communication of Hannibal with Carthage; and so via a maritime strategy achieved Hannibal's removal from Italy, despite never beating him there with their legions. Some of the earliest known strategies were those of annihilation, exhaustion, attrition warfare, scorched earth action, blockade, guerrilla campaign, deception and feint. In 1520 Niccolò Machiavelli's Art of War dealt with the relationship between civil and military matters and the formation of grand strategy.

In the Thirty Years' War (1618-1648), Gustavus Adolphus of Sweden demonstrated advanced operational strategy that led to his victories on the soil of the Holy Roman Empire. It was not until the 18th century that military strategy was subjected to serious study in Europe. The word was first said to be utilised in German as "*Strategie*" in a translation of Leo's work in 1777, shortly thereafter in French as "*stratégie*" by Leo's French translator, and was first confirmed in English in 1810 (Heuser, 2010:4). During the Seven Years' War (1756–1763), Frederick the Great improvised a "strategy of exhaustion" likened to attrition warfare to hold off his opponents and conserve his Prussian forces. Assailed from all sides by France, Austria, Russia and Sweden, Frederick exploited his central position, which enabled him to move his army along interior lines and concentrate against one opponent at a time. Unable to achieve victory, he was able to stave off defeat until a diplomatic solution was reached. Frederick's "victory" led to great significance being placed on "geometric strategy" which emphasized lines of manoeuvre, awareness of terrain and possession of critical strong-points.

The Mongol conqueror Genghis Khan stands out as a repertoire of strategic thoughts in the Asian world. His successes, and those of his successors, were based on manoeuvre and terror. His strategic assault is capitalised on the psychology of the opposing population. Through swift manoeuvrings and continuous assault, Genghis and his descendants were able to conquer most of Eurasian armies stressing them until they collapsed, and were then annihilated in encirclement & pursuit (May, 2007). One interesting feature of the Genghis' strategy was the stapling of horse milk and horse blood in the Mongolian army diet. Hence, horse-herds functioned not just as his means of movement but as his logistical sustainment. Also, Khan's marauders also brought with them mobile shelters, concubines, butchers, and cooks. Compared to the armies of Genghis, nearly all other armies were cumbersome and relatively static. It was not until well into the 20th century that any army was able to match the speed of deployment of Genghis's armies.

Various strategies and tactics were equally evolved and developed by political cum military leaders such as Shaka Zulu (1787?-1828), Usman Dan Fodio (1754-1817), Attah Idoko of the Igala Kingdom and so many others. Once proclaimed *Amir al-Muminin* or Commander of the Faithful in Gudu, Dan Fodio who by this status became political as well as religious leader with authority to declare and pursue jihad, raised an army and become its commander. This dan fodio effectively did instigating an uprising in Hausaland. He made use of the Fulanis, who held a powerful military advantage with their cavalry supported by Hausa peasants who felt over-taxed and oppressed by their rulers. The Fulani communication during the war was carried along trade routes and rivers draining to the Niger-Benue valley, as well as the delta and the lagoons. The call for jihad did not only reached other Hausa states such as Kano, Katsina, and Zaria, but also Borno, Gombe, Adamawa, Nupe, and Ilorin. After only a few years of the Fulani War, dan Fodio became a commander of the largest political sphere in Africa, For Idoko the first indigenous Attah of Igala kingdom, taking time and energy to dig moats which were to prevent enemy troops from accessing Idah and poisoning the Inachalo river which the Jukun warriors drank and died were not strategies to be reserved for future wars (Obaje, 1981). The basis of Shaka's power was the *amabutho* system, a traditional means of social control that he refined as a strategy for integrating his various new subjects into the growing Zulu kingdom. All subjects were grouped by age and gender into regiments, or *amabutho,* in order to effectively control them. The male amabutho carryout policing functions and fight external enemies. Shaka perfected their style of combats so that when going into battle, the Zulu army resembles a charging bull. The centre of the army which is the bull's chest would advance slowly, while two flanking divisions representing the horns move rapidly out to surround the enemy. Once the encirclement was complete, the chest would charge in and destroy the enemy in hand-to-hand fighting with their stabbing spears. The reserve divisions which are the loins would act in support or pursuit. To remain under control, the amabutho had to be fed and rewarded regularly. This required that they be sent out on constant raids for cattle and other booty. In essence, the amabutho system required continuous warfare, and this necessity provided the tone for Shaka's reign.

STRATEGY AND THE PREDOMINANT PRINCIPLES OF WAR

Following the diverse strategies and tactics enunciated above, scholars and military strategists alike have at one time or the other attempted to encapsulate a successful strategy in a set of principles. While Sun Tzu defined 13 principles in his *The Art of War,* Napoleon listed 115 maxims. The American Civil War General Nathan Forrest had only one principle which is "get there first with the most men" (Bruce, 1971). The principles emphasised by the military forces of most contemporary nations of the world are analogous with concepts given as essential in the United States Army Field Manual of Military Operations (see U.S Dept of the Army, 2008:4-39). These guide popularly referred to as the principles of war are mentioned below:

1. Objective (Direct every military operation towards a clearly defined, decisive, and attainable objective)
2. Offensive (Seize, retain, and exploit the initiative)

3. Mass (Concentrate combat power at the decisive place and time)
4. Economy of Force (Allocate minimum essential combat power to secondary efforts)
5. Manoeuvre (Place the enemy in a disadvantageous position through the flexible application of combat power)
6. Unity of Command (For every objective, ensure unity of effort under one responsible commander)
7. Security (Never permit the enemy to acquire an unexpected advantage)
8. Surprise (Strike the enemy at a time, at a place, or in a manner for which he is unprepared)
9. Simplicity (Prepare clear, uncomplicated plans and clear, concise orders to ensure thorough understanding)

The principles outlined above notwithstanding and as Greene (2006) was quick to warn in his 33 strategies of war, blind and rigid adherence to principles and methods that guided a people in some particular campaigns have often led to disasters. Hence any set of principles of war is only supposed to serve as an aid to success for the leader who through experience and study understands the mass of theories and historical examples that lies behind the curt statement of each principle and who through common sense and judgement can assess the influences of the prevailing conditions. It is this consideration of peculiarities and local circumstances including their appropriate applications to a wide range of environments that have transmogrified the subject of strategy impacting on its academic studies and making it a multidisciplinary field. The introduction of the concepts and theories of strategy into the political and business arena is hereunder discussed.

APPLICATION OF STRATEGIC CONCEPTS IN POLITICS AND BUSINESSES

While it may be very difficult to point at any particular occupational discipline as being the first to introduce or apply strategic concepts, theories and methodologies to its activities, politics and by extension political studies no doubt stand out as a precursor to strategy and the strategic studies field. In fact, politics which is nothing but the struggle for power and the attempts to acquire, maintain and consolidate this same power is the reason for the formulation, modification and consolidation of strategies. In fact, the definitions of strategy as the 'continuation of policy by another means' by Carl Von Clausewitz, and 'politics as war without shedding of blood' and 'war as politics that involves shedding of blood' by Mao Tse Tung corroborates this position. No surprise therefore that the application of strategic tools such as war related theories and practice have been a rampant phenomenon in politics. Politics from time immemorial, whether at the interpersonal, national and international levels has hardly been conducted without elements of strategic thoughts and manoeuvrings.

The renaissance scholar Niccolo Machiavelli is a political strategist par excellence. From his experience and deeds in government service as a clerk, secretary of the ten-man council that conducted the diplomatic negotiations which led to the proclamation of the Florentine Republic in 1498, and mission duties within Italy, to the French king (1504, 1510-11), the Holy See (1506), and the German emperor (1507-8) plus supervision of military operations of the Florence, he became acquainted with many rulers and was able to study their political tactics especially those of the Cesare Borgia – a soldier who was at that time engaged in enlarging his holdings in central Italy. He then wrote 'the prince' describing the method by which political power can be acquired and maintained. To retain power he said for instance, a new ruler must first stabilize his newfound power in order to build an enduring political structure. The social benefits of stability and security could be achieved in the face of moral corruption Machiavelli (1965). The author equally thought that public and private morality had to be comprehended differently in order to rule well. Hence, the ruler must be concerned not only with reputation, but also must be positively willing to act immorally at the right times. He emphasized the occasional need for the methodical exercise of brute force or deceit including extermination of entire noble families to head off any chance of a challenge to the prince's authority (see Machiavelli, ibid.).

This approach to the maintenance and consolidation of power was not only explored by the 20th century military juntas in Africa and other parts of the world, their civilian successors have equally evolved their own versions of strategies most of which could rather be referred to as political stratagems. Examples of these are fear mongering, smear campaign, buck passing and censorship used as means for realising political objectives. While buck passing for instance refers to a strategy in power politics in which a politician or state gets another to deter or fight an aggressor while the schemer remains on the sidelines, Censorship is the suppression of speech or other public communication which may be considered harmful, sensitive or politically inconvenient as determined by a government, organizations or individuals as part of a political strategy to exert control over the populace and prevent free expressions that can instigate rebellion.

It is still in the twentieth century that some business experts realised that there was a vast knowledge base stretching back thousands of years which may be useful to their fields. Military strategy was one of the subjects they focused on for guidance. Books such as 'The Art of War' which Sun Tzu authored, 'On War' by Carl Von Clausewitz and the 'Red Book' of Mao Tse Tung served as some of the most visible fountains of knowledge these professionals. From Clausewitz for instance they learnt the dynamic and unpredictable nature of military strategy while Mao Tse Tung laid bare the principles of guerrilla warfare. The synthesis of these military thoughts and strategies with business ideas gave rise to new strategies in the business and marketing world(s). For example various winning marking strategies such as guerrilla marketing have been developed and put into practice. A major application of strategic theories and practices to the business arena is in the craft known as strategic management. This is the art and science of formulating, implementing and evaluating cross-functional decisions that will enable an organisation to achieve its objectives (David, 1989). It is the process of specifying, the organisation's objectives, developing policies and plans to achieve these objectives, and allocating resources to implement the same policies and plans. Similar to the art in prosecuting wars, strategic management combines the activities of the various functional areas of a business to achieve organisational objectives. It is the highest level of managerial activity usually handled by the board of directors and presided by the organisation's Chief Executive Officer (CEO) assisted by his/her executive team.

Strategic management as a discipline originated in the mid-twentieth century with numerous initiators and contributors to the literature. Some of the most influential pioneers are Alfred chandler Jr., Igor Ansoff and Peter drucker. While Chandler supports the synchronisation of the various aspects of management under one all-encompassing strategy as against a previous separately coordinated management functions, Ansoff built on Chandler's idea by adding a range of strategic concepts and inventing some vocabularies. He developed for instance a strategy grid that compared market penetration strategies, product penetration strategies, market development strategies as well as the horizontal and vertical integration and diversification strategies. To him management could use this model to systematically prepare for future opportunities and challenges (Ansoff, 1965).

Drucker, on his part, evolved the theory of Management by Objective (MBO) stressing that the procedure of setting objectives and monitoring your progress towards them should permeate the entire organisation from the top to the bottom (Drucker, 1954). In fact his five basic principles for management - setting objectives, organization, motivation and communication, establishing performance targets, and personnel development - are still very much cherished and applicable today. Summarily, strategy in business management as Lamb (1984:9) observes is an ongoing process which assesses any particular enterprise including the industry it operates in, taking cognisance of competitors and setting goals and strategies to meet all existing and potential competitors and reassessing each strategy on a regular basis. This reassessment is aimed at determining how it has been implemented and whether it has succeeded or needs replacement to meet changed circumstances, new competitors including economic, social, financial or political realities. To exemplify, in the 1980s the Japanese car manufacturers began to outdo their American rivals with a focus on low-cost, high quality manufacturing. Others people imitated this "lean production" techniques and as a result, competitive strategy , or its lack thereof, became largely about lowering costs, increasing quality, and generally increasing efficiencies.

CONCLUSION

From the ancient art of war to contemporary socio-economic and political scheming, strategy has been evolving for centuries. Strategy for most of its history spanning over 2,500 years was one-dimensional in which ideas were borne from a military definition of the word referring to the manner in which troops are deployed for the purpose of prosecuting battles effectively. In the business field, this was translated into the manner in which resources would be deployed to beat competition. While politics and businesses in the past were mainly focused on building powers and monopolies, the recent years have been more than made up for this one way view as strategy has really hit its prime and spewed out countless new ideas and solutions to challenges.

As we have pointed out, despite its evolution as a necessary tool for prosecuting military campaigns, strategy in the course of history has become a multifaceted concept which is now being utilised in other areas of human endeavour like politics, business, marketing and even agriculture. This has given rise to such strategic concepts as political strategy, security strategy, business and marketing strategies, guerrilla marketing and even agricultural strategy. Following this transformation and its overwhelming relevance to various fields of endeavour, it is therefore suggested that strategic studies be introduced to students of all disciplines at the collegiate level. This will not only go a long way in enhancing their knowledge of the subject, but will equally enhance the competitive application of its theories and practices towards bettering the world in which we live.

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Service Quality and its Effect on Customers' Satisfaction in the Hotel Industry in Nigeria

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Abstract

This study examined service quality and its effect on customers' satisfaction in the hotel industry in Nigeria with particular reference to Anambra State. The main objective of the study was to investigate the effect of service quality dimensions on customers' satisfaction in the hotel industry in Anambra State of Nigeria. The specific objectives were to determine the effects of reliability, assurance, tangibility, empathy and responsiveness on customers' satisfaction in the hotel industry in Anambra State of Nigeria. Five research questions and five hypotheses were formulated to achieve the objectives of this study. Descriptive research design was used for the study. The study utilized 232 respondents drawn from eight selected hotels in Anambra State of Nigeria. Multiple Regression using Ordinary Least Square statistical technique was used to test the fitness of the model as well as five formulated hypotheses. Among the five hypotheses tested; null hypotheses one, two, three and four were accepted while null hypothesis five was rejected. The major findings revealed that responsiveness has statistically significant effect on customer satisfaction while reliability, assurance, tangibility, and empathy have not significantly effected customers' satisfaction in the hotel industry in Anambra State of Nigeria. The study concluded therefore that responsiveness is the most important predictor of service quality and most significant determinant of customer satisfaction in the hotel industry in Anambra State of Nigeria. The study recommends that the institutionalization and operationalization of customer-oriented service quality strategies geared towards improving reliability, assurance, tangibility and empathy dimensions for enhanced customer satisfaction should be the priority of hotels in order for them to remain in business.

Keywords: *Service Quality, Customer Satisfaction, Hotel Industry, Nigeria.*

INTRODUCTION

Hotel service businesses have been growing rapidly in recent decades, while customer's demand for high quality service is increasing. The increasing competitive markets for hotel services in Nigeria has made customers to become more selective on the quality of services they expect, thereby making the service providers to be more committed to service offerings. To remain competitive, the hotel operators need to assess the service quality level using service quality constructs in order to determine its effect on customer satisfaction. However, the complex nature of service quality has generated issues, concerns and divergent views among customers, firms, service providers, hotel attendants, businessmen and even academics about the best way to conceptualize and measure it. Palmer (2005) captures that the importance of services cannot be over-emphasized, coupled with the fact that greater number of people are living in increasingly service-based economies. He opines that the quality of service determines the level of customer acceptability, satisfaction and loyalty in the hotel industry. Jain and Gupta (2004) observe that service quality has come to be recognized as a strategic tool for attaining operational efficiency and improved business performance. Asubonteng, McCleary and Swan (1996) observe that due to intense competition and the hostility of environmental factors, service quality has become a cornerstone marketing strategy for companies. This highlights the importance of service quality for organizational survival and growth. Hence, it could help them tackle the challenges they face in the competitive markets in order to have an edge over others.

Service quality according to Eshghi, Roy and Ganguli (2008) is seen as the overall assessment of a service by the customers. Palmer (2005) captures that many analyses of service quality have attempted to distinguish between objective measures of quality and measures which are based on the more subjective perceptions of customers. A good quality of hotel services is considered as one which meets or exceeds customer's expectations of services offered to him or her. Customer satisfaction is a function of service quality according to the expectancy disconfirmation paradigm (Tse and Wilton, 1988). Significantly, there has been in recent times, an increase in the establishment of many hotels in Anambra area of Nigeria which has escalated competition among the hotel proprietors, managers and other stakeholders in the hotel industry. The rising competitive provision of hotel services has made customers to become more selective in the quality of services they expect. The emphasis lies on the importance which customers attach to the quality of hotels services in Anambra State in particular and Nigeria in general. However, hotel industry plays an instrumental role in the lives of people and it is also primordial for hotel managers to know what customers needs and strive to provide them in order to remain competitive in business and as well enhance customers' satisfaction. Hence, this study seeks to examine service quality dimensions and investigate its effect on customer satisfaction in the hotel industry in Anambra State of Nigeria.

Statement of the Problem

The motivation for this study emanated from the fact that there has been in recent times, an increase in the establishment of many hotels in Anambra State of Nigeria. The incessant proliferation of many hotels has escalated competition among the hotel proprietors, managers and other stakeholders in the hotel industry. The competition among the hotels has generated a lot of concern among the hotel managers in finding a lasting solution on how to satisfy their numerous customers and also have an edge over others for them to still remain in business. The review of empirical studies shows that SERVQUAL dimensions have been presented and used by many researchers as variables used to measure service quality in the hotel industry in different parts of the world, mostly in advanced countries but a few in Nigeria (Rao and Sahu, 2013; Kofi, Mariama, and Ajara, 2013; Akbaba, 2006) and so on. The review of available literature shows that it is still imperative to measure service quality of hotels in Anambra State of Nigeria in order to ascertain the level of customer satisfaction. Besides, the unresolved debate on the ranking and importance of each of the SERVQUAL dimensions in effecting satisfaction to hotel customers is still a subject of controversy. Previous empirical studies conducted by different authors have revealed varying findings as regards to the particular dimension that gives greatest satisfaction to hotel customers (Negi, 2009:~reliability; Douglas and Connor, 2003:~assurance; Akbaba, 2006: ~tangibility; Turgay, 2014:~empathy and Kamani, 2014:~responsiveness). In the light of the above imbalances, this study is an attempt to fill the gap in knowledge, hence this study seeks to assess service quality dimensions and evaluate the resultant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria.

Objectives of the Study

The main objective of this study is to investigate the effect of service quality dimensions on customer satisfaction in the hotel industry in Anambra State of Nigeria. The specific objectives of the study are;

i. to determine the effect of reliability on customer satisfaction in the hotel industry.
ii. to determine the effect of assurance on customer satisfaction in the hotel industry.
iii. to investigate the effect of tangibility on customer satisfaction in the hotel industry.
iv. to determine the effect of empathy on customer satisfaction in the hotel industry.
v. to determine the effect of responsiveness on customer satisfaction in the hotel industry.

Research Questions

Based on the objectives of this study, the following research questions are formulated;

i. How significant is the effect of reliability on customer satisfaction in the hotel industry?
ii. How significant is the effect of assurance on customer satisfaction in the hotel industry?
iii. How significant is the effect of tangibility on customer satisfaction in the hotel industry?

iv. How significant is the effect of empathy on customer satisfaction in the hotel industry?
v. How significant is the effect of responsiveness on customer satisfaction in the hotel industry?

Statement of Hypotheses

The following hypotheses are formulated in their null structures to guide the study;

HO_1: Reliability has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria.
HO_2: Assurance has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria.
HO_3: Tangibility has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria.
HO_4: Empathy has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria.
HO_5: Responsiveness has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria.

Significance of the Study

It is expected that this study is of great significance to the following: hotel proprietors, hotel customers, future researchers and government. The hotel owners, managers, hoteliers and other stake holders in the hotel industry are to benefit from this study due to the fact that it will enable them take appropriate decisions and actions relating to service quality, customer satisfaction and loyalty. The study will also help them close the gap between customers' expectations and actual service performance since the hoteliers would through this study, be more knowledgeable on how to improve service quality and its dimensions for enhanced customers' satisfaction. The study is of great benefit to hotel customers in solving complex issues related to service quality and performances in hotel service industry as well as other behavioral outcomes such as customer satisfaction, loyalty, retention, expectations and perceptions. The study also serves as a reference source for future researchers on the same or related issues. It is of great reference value to the students, academic community and even the general public. It is of great value to government agencies, policy makers and even practitioners as it serves as a means of ascertaining the vibrancy and true position of hotels' service quality level in Anambra State of Nigeria for informed and proper policies formulation and implementation. Lastly, the resultant vibrancy in the hotel industry through this study is expected to benefit government through tax.

Scope and Limitation of the Study

It is limited to assessing service quality dimensions and its effect on customer satisfaction in the hotel industry in Anambra State of Nigeria.

REVIEW OF RELATED LITERATURE

Conceptual Issues

Services can be defined as activities, benefits and satisfactions, which are offered for sale or are provided in connection with the sale of goods (American Marketing Association, 1960). According to Zeithaml and Bitner (2003) "Services include all economic activities whose output is not a physical product or construction, is generally consumed at the time it is produced, and provides added value in forms (such as convenience, amusement, timeliness, comfort or health) that are essentially intangible concerns of its first purchaser". Agbonifoh, Ogwo, Nnolim and Ekerette (1998) define services as "the services offered for sale in its own right rather than as an adjunct to or accompaniment to tangible products or objects." Palmer (2005) defines services as "the production of an essentially intangible benefit, either in its own right or as a significant element of a tangible product, which through a form of exchange, satisfies an identified need or wants". Ubanagu and Ndubisi (2004) define services as those intangibles offered for sale that directly satisfy consumers' needs on their own right instead of serving as augment to other tangible products". Judd (1987) defines services as transactions where the objects of the transactions are other than the transfer of ownership of tangible commodities. Kotler (1991) defines service "as any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything".

Service Quality Concept

Service quality has received a great deal of attention from both academicians and practitioners (Negi, 2009). Service quality is defined according to Eshghi et al., (2008) as the overall assessment of a service by the customer. Service quality is considered as an important tool for a firm's struggle to differentiate itself from its competitors (Ladhari, 2008). The relevance of service quality in hotel service sector is emphasized as a strategic key which offers a competitive advantage that strive to improve customer satisfaction as well as bridging customer expectation and perception gap. Ghytin, Green, Drury, Chen, Schultz, Uggirala, Abraham and Lawson (2008) point out that by defining service quality, companies will be able to deliver services with higher quality level presumably resulting in increased customer satisfaction.

Okpara (2012) observes that the nature of services is somewhat more complex than generally observed. Its prevalence moves in tandem with a country's level of economic development. Anyanwu (2013) opines that service firms have the opportunity to build long-term relationships because customers conduct their transactions directly with the service provider. Kotler and Armstrong (2010) state that service quality is hard to define and judge than product quality. They added that a service firm can differentiate itself by delivering consistently higher quality than its competitors provide. However, services companies need high quality of their products in order to by-pass the constraints posed by competition. Service quality is an important factor used by customers to evaluate the services of one organization in comparison to the offerings of others. The level of quality to which a service is designed is a crucial element in the total service offering. However, measuring of services quality is very difficult compared to the measuring of physical products. A service that may be seen by the producer as having high technical quality may in fact be perceived very differently by a consumer who has a different set of quality evaluation criteria.

RATER: Dimensions of Service Quality

R - **Reliability**: Ability to perform the promised service dependably and accurately.

A- **Assurance**: Knowledge, courtesy of employees, their ability to inspire trust and confidence.

T - **Tangibility**: Physical facilities, equipment, and appearance of personnel.

E - **Empathy**: Caring, individualized attention the firm provides to its customers.

R - **Responsiveness**: Willingness to help customers and provide prompt service.

According to Parasuraman et al.,(1988) there are dimensions which service quality must possess in order to reach or exceed customer's expectation and satisfaction. It is on this framework that SERVQUAL Model was developed for service with the main purpose of knowing how customers of a service provider measure or rate the services offered to them. Parasuraman et al., (1988) proposed that this SERVQUAL Model (RATER) be used to measure the quality of company's service over different periods in order to determine the discrepancies between perceived and actual services so as to know what reaction is possible in order to enhance customer's satisfaction.

Service Quality and Customer Satisfaction in the Hotel Industry

Customer satisfaction is an evaluation by a customer to determine whether or not the quality of a service meets his expectations. Guest satisfaction concept refers to judgement that depends on both good service quality and fitness of service to the needs of guests (Tse and Wilton, 1988). According to Parasuraman, guest satisfaction is the level in which expectation of a guest is met or exceeded. Service providers should be able to understand the behavior and needs of guests to be able to know how to satisfy them. Kotler and Keller (2009) see satisfaction as a person's feelings of pleasure or disappointment that result from comparing a product's perceived performance to their expectations. They added that if the performance falls short of expectations, the customer is dissatisfied, if the performance matches the expectations, the customer is satisfied and if the performance exceeds expectations, the customer is highly satisfied. Brady and Cronin (2001) contribute that the effects of service quality on consumer decision-making appear to be largely indirect and mediated by value and satisfaction. Oliver (1997) observes that satisfaction is the emotional reaction following a disconfirmation experience. A review of the relevant literature indicates that service quality is closely tied to customer satisfaction (Wisniewski and Donnelly, 1996; Sureschandar, Rajendran and Nitecki, 2002; Kumar, Smart, Maddern and Maul, 2008).

Theoretical Framework:

This study is anchored on Discrepancy theory by Elsevier (1999). This theory provides that customer's satisfaction judgment emanates from the result of service quality measured using servqual dimensions. According to this theory, customer satisfaction is a function of perceived service quality. Hence, when service quality meets the desired standard, customer satisfaction is achieved. Positive perceived service quality leads to increased satisfaction while negative perceived service quality leads to increased dissatisfaction. Therefore, this study is anchored on this theoretical framework stated above which serves as the foundation for assessing the service quality level and its effect on customer satisfaction in the hotel industry.

Theoretical Model:

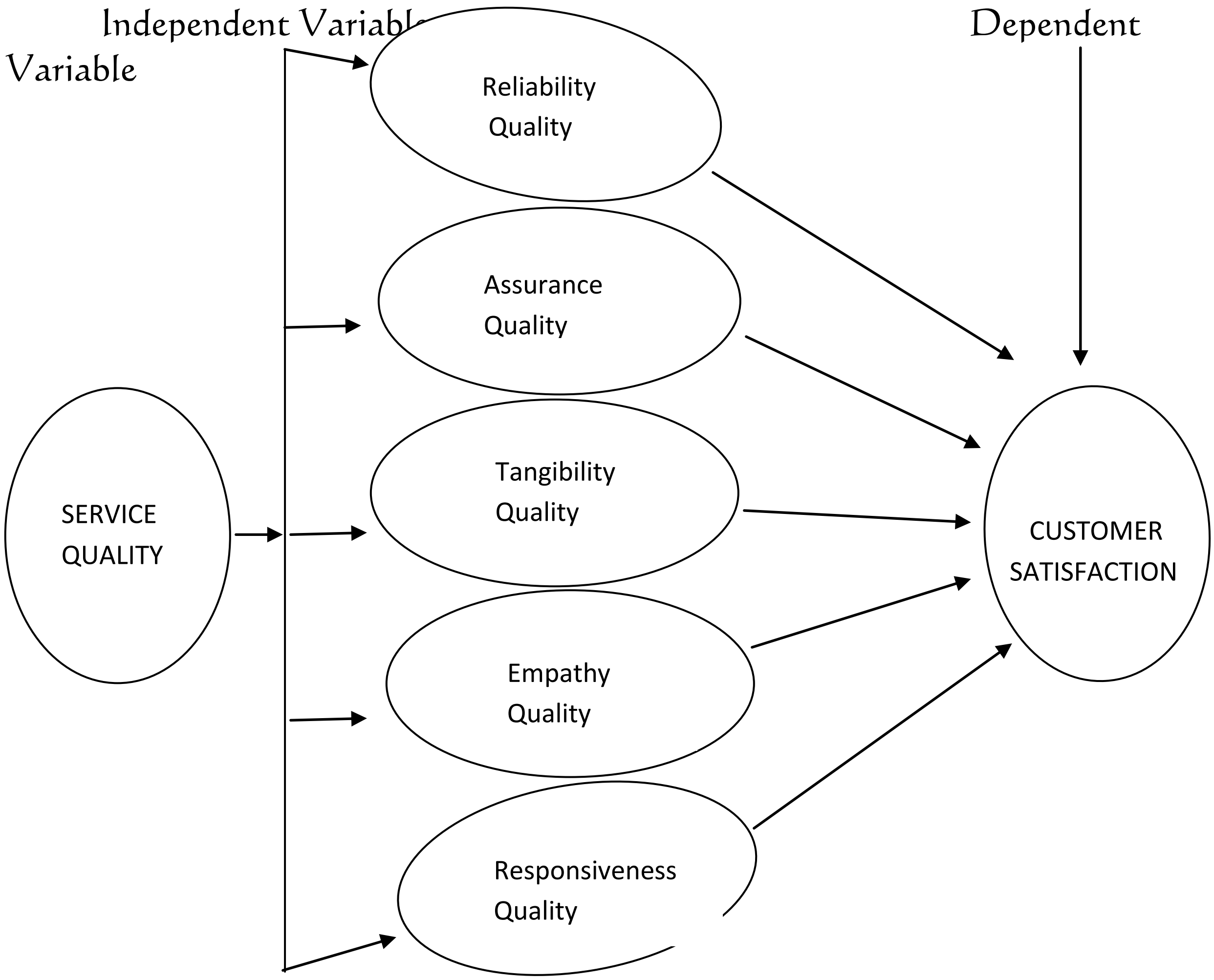

Figure 1: Theoretical Model of this Study

Source: Parasuraman, A., Zeithaml, V. and Berry, L.L. (1988). SERVQUAL: A multiple item scale for measuring consumer perceptions of service quality. *Journal of Retailing*, 64(1), 12-40.

Figure 1 is the theoretical model which captures the independent and dependent variables of this study. According to this model, service quality (independent variable) is surrogated by the five service quality variables known as SERVQUAL dimensions (reliability quality, assurance quality, tangibles quality, empathy quality and responsiveness quality). Based on this model, customer satisfaction (dependent variable) is a function of the perceived service quality proxied by the five perceptual servqual dimensions (reliability quality, assurance quality, tangibility quality, empathy quality and responsiveness).

SERVQUAL Model

This model was developed in America to assess the determinants of service quality in the hotel industry. The model was developed by Parasuraman, Zeithaml and Berry in 1985 and was later redefined in 1988, 1991 and 1994 which led to the development of a service quality model-SERVQUAL. Many researchers have used this model to study service quality in different sectors of the service industry (Avkiran, 1994; Babakus and Boller, 1992; Cronin and Taylor, 1994; Fick and Ritchie, 1991; Newman, 2001; Smith, 1995). According to Buttle (1996) SERVQUAL is a model for assessing and managing service quality.

R = Reliability (sincerity, accurate performance, timeliness, fulfilling promise, efficiency).
A = Assurance (confidence, politeness, sound, competence, courtesy, credibility, security).
T = Tangibles (appearance of physical facilities, modernity, cleanliness, presentability,).
E = Empathy (attentiveness, convenience, good quality, interest, customer understanding).
R = Responsiveness (promptness, communication, consistency, eagerness and willingness).

Service Quality Dimensions and Its Attributes in the Hotel Industry

The service quality dimensions and its attributes in the hotel industry is of paramount important in assessing customer satisfaction. Many authors have appreciated the dimensions of service quality and their corresponding attributes in the hotel industry as propounded by Parasuraman et al., (1994). Parasuraman et al., captured the dimensions of service quality as well as the attributes of each and every one of them (sub variables). According to them, the reliability dimension of hotel services covers the accuracy of the bills and other records; fulfilling promises made to customers; being sincere to the guests; ensuring efficient services and being time conscious in rendering the needed services to the guests. Assurance dimension comprises the politeness of the hotliers; assuring customer's confidence through employees' dealings with their customers; the security and safeness of the guests and the soundness in answering customer's questions. Tangibility dimension of service quality covers the following attributes: the appearance of hotel buildings and other physical facilities; the modernity of hotel facilities; the presentability of the hoteliers and the neatness of the hotel. Empathy dimension of service quality covers the following attributes: the attentiveness of employees, the convenience of operating hours, showing genuine interest, understanding guests needs and rendering valued services to guests.

Empirical Review of Related Literature

Many empirical studies have been conducted on service quality and customer satisfaction in various sectors in different parts of the world, with varying results as a result of different ways they conceptualized, operationalized and assessed service quality and customer satisfaction.

Rao and Sahu (2013) conducted a study on the effect of service quality on customer satisfaction in the hotel industry in Bangalore. They anchored their study on disconfirmation theory. Both primary and secondary data were utilized. Service quality variables were measured using Servqual dimensions. The Servqual dimensions measured were as follows; tangibility, reliability, responsiveness, assurance, and empathy. The study utilized 60 returned copies of questionnaire out of 100 copies distributed to the respondents. The findings revealed that tangibility is the most important factor in determining satisfaction while empathy was the least significant dimension of service quality in effecting satisfaction to hotel customers. The findings also revealed that customers' perceptions exceeded their expectations in all the dimensions yielding a positive SERVQUAL gap. The implication of the study was that hotel customers were satisfied with the quality of services rendered to them; all the dimensions were significant in determining customer satisfaction with tangibles as the most significant dimension.

Kofi, Mariama, Ajara (2013) conducted a study on the impact of service quality on customer loyalty in the hotel industry: an empirical study from Ghana. The study investigated how service quality impacts customer loyalty in Golden Tulip (a 4-star hotel), Miklin (a 3-star hotel) and Lizzie Hotel (a 2-star hotel) in Kumasi city in Ghana. SERVQUAL model was used and the dimensions measured were as follows; reliability, assurance, tangibility, empathy and responsiveness. The sample of 50 customers and 5 staff from each of the 3 hotels were conveniently selected and utilized in filling of the questionnaire. Gap analysis was conducted. A simple probit regression model was utilized computed through SPSS. The study revealed that responsiveness dimension played the most significant role in impacting satisfaction to hotel customers while tangibility dimension was the least in satisfying the hotel guests. Guests of Miklin hotel were more satisfied than guests of Golden Tulip and Lizzie hotels. Turgay (2014) conducted a study on the effect of service quality on customer satisfaction: a research on hotel businesses in Canakkale, Turkey.

Servperf scale was utilized in his study to measure reliability, assurance, tangibility, empathy and responsiveness variables. The sample size was 300 and also 300 copies of questionnaire were distributed to customers of 13 hotels in Canakkale, Turkey. Factor analysis and descriptive statistics were adopted and utilized in the study. The findings revealed that empathy was the most significant factor in effecting satisfaction to hotel customers while tangibility was the least significant factor in determining satisfaction in Canakkale business hotels in Turkey. Mbuthia, Muthon and Muchina (2013) carried out a study on Hotel Service Quality: Perceptions and Satisfaction among Domestic Guests in Kenya. Descriptive survey design was adopted for the study. Cluster sampling technique was applied and 182 guests were administered copies of questionnaire. Descriptive statistics and Path analysis were utilized in the study. The formulated hypotheses were tested. The findings revealed that service quality has both direct and indirect influences on satisfaction. The study also showed that tangibility stand out strong among the service quality dimensions in impacting satisfaction to hotel customers while responsiveness was the least significant dimension in impacting satisfaction to hotel customers.

Yasir, Imran, Muhammed and Khaliq (2012) investigated on the impact of service quality on customer satisfaction: a study of hotel industry in Faisalabad, Pakistan. They adopted Servperf model and measured the five service quality dimensions namely; reliability, responsiveness, assurance, tangibility and empathy. Non-probability convenience sampling technique was used. 100 copies of questionnaire were distributed; descriptive statistics and frequencies were used standard deviation and means were calculated. The findings indicated that assurance was the most significant factor followed by reliability and responsiveness while tangibility and empathy were not significant. Consequently, empathy was ranked last in impacting customers' satisfaction in the hotel industry in Faisalabad. Agyapong (2011) studied the effect of service quality on customer satisfaction in the utility industry in Ghana. Survey descriptive method was adopted and the variables assessed were as follows; tangibles, reliability, responsiveness, competence, courtesy, security, communication and understanding the customers.

However, 520 copies of questionnaire were administrated. Multiple linear regression analysis was used for the study. From the findings, it was discovered that all the variables were good predictors of customer satisfaction. The findings also show that customers were satisfied with the quality of service offered to them. Kamani (2014) conducted a study on the relationship between Service Quality and Customer Satisfaction in Certified Public Accountancy Training Institutions (CPATIs) in Nairobi. The study focused on the influences of the five dimensions of service quality. SERVQUAL model was adopted and used to measure service quality and its effect on customer satisfaction. The five dimensions of quality studied were: Tangibility, Reliability, Responsiveness, Empathy and Assurance. The objectives of this study were to establish levels of service quality and customer satisfaction and also to determine the relationship between service quality and customer satisfaction in CPATIs in Nairobi Kenya. Data was analyzed using Statistical Package of Social Sciences (SPSS) version 17. Multiple Regression model was used to extract the relationship between service quality and customer satisfaction equation. The results indicated that there was a positive relationship between service quality and customer satisfaction. The entire five service quality dimensions except Empathy were found to be statistically significant in influencing customer satisfaction. The findings also revealed that, the customers" expectations were relatively higher than the perception hence resulting into negative score after gap analysis (Perception- expectation), meaning that CPATIs were offering less quality services than what customers were expecting. Brun (2010) conducted a study on Service Quality and Customers Satisfaction in the Hotel Industry in Asia.

The study aimed to identify the quality attributes of the hotel services and also to measure service quality and customer satisfaction in the hotel industry. However, based on the study, three most popular and quite complete models were established. They were Servqual, Holserv And Lodging Quality Index. The sample size of the study was 114 and also, 114 copies of questionnaire were distributed to the respondents. The findings revealed that a significant difference between customer expectations and perceptions for men and women among Asian and European guests in relation to the hotel services. The findings also showed that customers were not satisfied with the quality of service rendered to them.

Rashed and Chowdhury (2014) conducted a study on Service Quality and customer satisfaction in Private Commercial Banking Sector in Bangladesh. This study aimed to discover the impact of service quality on customer satisfaction in private sector banks in Bangladesh. Five dimensions in service quality (servqual dimensions) viz tangibility, reliability, responsiveness, empathy, and assurance as coined by

Parasuraman, Zeithaml, and Berry (1985) were considered as the construct for the study. A structured questionnaire with 5 point Likert scale was used to collect the data. The sample size was 110 which was conveniently selected. Data was analyzed using SPSS software version 17. The result of the study showed that tangibility, reliability, responsiveness, assurance and empathy dimensions significantly and positively influenced customers' satisfaction. The findings also revealed that service quality dimensions are crucial in determining customer satisfaction in private commercial banking sector in Bangladesh.

Barsky (1992) in his study of service quality and customers satisfaction in Kenya's hotel industry documented that, perceptions of company performance were found to exert a positive influence on perceived service quality, satisfaction, repurchase intention and also provided a review supporting a positive relationship among satisfaction and customers' abandonment behavior in banks in Kenya. Mburu (2013) conducted a study on the determinants of customer satisfaction in the Kenyan banking industry and documented that customer satisfaction is determined by factors such as pricing, quality of service, value and relationship with the service providers' staff.

Brady (2001) studied the relationship between service quality and customer satisfaction in fast-food restaurants in America and Latin America. They concluded that there was a relationship between service quality and user satisfaction based on different cultural backgrounds. Also, service quality had significant impact on customer satisfaction. Jalal (2012) in their study of service quality and satisfaction in Malaysian university libraries established that all the five dimensions of service quality namely; assurance, tangibles, responsiveness, empathy and assurance had a significant impact on user satisfaction. Musyoka (2013) in his study of service quality and satisfaction among the Kenyan Public Universities Libraries documented that, libraries that offered better customer's services (empathy) were more preferred by library users compared to libraries that offered poor customers services. In addition more than 70% of the respondents valued libraries that focused on continuous improvement of service quality and were more likely to visit that library again. Parasuraman,(1988) introduced and used SERVQUAL model to measure service quality involving the 22 items encapsulated in five dimensions namely: reliability, tangible, responsiveness, assurance, and empathy. The findings showed that servqual dimensions have specific service characteristic link to customer satisfaction. Gounaris (2003) revealed that service quality has significant impact and positive relationship with customer satisfaction in Greek retailing industry. A study conducted by Jay and Hsin (2007), which aimed to understand the relationship between service quality and customer satisfaction in various hotels in Murtinos. The study found that the image of the hotel affected by the existence of service and customer satisfaction that support for the favorite image created by the hotel through the improvement of service quality and customer satisfaction. Munusamy (2010) found that four elements of service quality, including assurance, tangibles, empathy and responsiveness have positive relationship with customer satisfaction, while one element; reliability has negative relationship with customer satisfaction in banking industry in Malaysia.

Al Tamimi and Al Amiri (2003) compared the five dimensions of SERVQUAL between the two main Islamic banks of UAE; Abu Dhabi Islamic Bank, and Dubai Islamic bank. Their study did not attempt to address different dimensions of service quality that might be related to UAE culture. An instrument for measuring service quality in UAE banks based on the five items of SERVQUAL was developed and tested in 2002. Factor analysis of the items of SERVQUAL resulted in three dimensions: tangibles, reliability, and empathy. They found out that reliability was the most important dimension of their instrument. While their factor analysis resulted in a three-dimension instrument, there was also no attempt to address new service quality dimensions that are particular to UAE culture. Minh, Ha, Anh and Matsui (2015) studied on Service Quality and Customer Satisfaction: A Case study of hotel Industry in Vietnam. The purpose of this study is to empirically examine the relationship between service quality and customer satisfaction in Vietnamese hotels. Survey questionnaire was constructed with 23 service quality items covering five service quality dimensions based on SERVQUAL model, Data were collected from 432 guests of 33 hotels in Vietnam. Analysis results indicated that Reliability, Responsiveness, Assurance and Empathy significantly impact customer satisfaction in the hotel industry in Vietnam. Reliability was ranked first in effecting satisfaction to hotel customers. Sahu and Roa (2013) conducted a study on the impact of service quality on customer satisfaction in hotel industry in Bangalore.

The study assessed customers' expectation and perception level towards service quality of the front office staff in 5 dimensions: tangibility, reliability, responsiveness, assurance, and empathy; also analyzed the discrepancy gap between customers' expectation and perception toward service quality of the front office staff. A total of 100 respondents were utilized for the study. The findings of their study revealed that the overall mean score of perception was higher than expectation in all dimensions, yielding a positive SERVQUAL gap; that positive gap indicated that customers are satisfied with the services offered to them. The findings also revealed that tangibility was the most important dimension of satisfaction while empathy was the weakest dimension of satisfaction.

Sakun and Nopadol (2012) conducted a study by measuring service quality dimensions of Hotel Industry in Thailand. Their study focused on hotel service quality based on the application of 29-items SERVQUAL indicators. They studied and compared two hotel types; namely the Boutique and the Business hotels in Thailand. The study applied a self-administered questionnaire to measure service quality levels of hotels in Thailand. A total of 108 usable questionnaires were analyzed. The analysis showed that the service quality of hotels in Thailand was moderately low. Hotels were not able to deliver services as expected. Also, the customer expectation of the services of the Boutique hotels was higher than that of the Business hotels. It was also recorded that their study seemed to be the pioneer study of hotels' service quality in Thailand. Akbaba (2006) studied the service quality of hotels in Turkey by analyzing the expectations and actual perceptions of service quality based on 29 characteristic indicators, which were applied from SERVQUAL. His findings revealed moderately fair perceived service quality and also that the most important dimension reflecting the overall needs of service quality was tangible service attributes. In Banking sector, Moala (1998) conducted a study aimed at measuring the service quality provided by commercial banks in Jordan based on bank customers' point of view. The study found that the actual level of banking services quality is low compared with the level of quality expected by customers in their banking services. The study recommended that the departments of commercial banks should adopt programs to develop and improve the quality of their services. Mohsin and Lockyer (2010) assessed the influence of service quality on customer satisfaction of Luxury Hotels in India. They provided an opportunity to recognize, in ranking order, the features that are considered important by the guests staying in Luxury hotels. Their findings revealed that reliability is the most important dimension, followed by tangible dimension. The study revealed that the two were the most cherished construct that effect more satisfaction to hotel customers.

Eijaz (2008) conducted a study on service quality and customer satisfaction in Luxury hotels of Khulna city in Australia. A total number of 19 factors connected with measurement of service quality and customer satisfaction were investigated, analyzed, and evaluated. The findings indicated, as a whole, that the hotel guest' perceptions of service quality provided by the hotel industry were lower than their expectations. This implied that customers were not satisfied with the quality of services offered to them. Fen and Meillian (2005) in their study found that both service quality and customer satisfaction have a positive relationship. That perceived service quality leads to customer satisfaction and customer loyalty. Negi (2009) conducted a study to investigate the relevance of customer-perceived service quality in determining customer overall satisfaction in the GSM telecommunications industry. The result revealed that reliability, network quality, tangibles, empathy and assurance are key factors in evaluating overall service quality and customer satisfaction.

Sulieman (2013) conducted a study on Basic Dimensions of the Servqual Model and Its Impact on Customer Satisfaction: an Empirical study of the Housing Bank in Karak, Jordan. The objective of his study was to identify the impact of the basic dimensions of Servqual model on the level of customer satisfaction in dealing with the housing Bank. The sample size was 375 and 375 copies of questionnaire were distributed. Descriptive research design was adopted and used for the study. Simple regression analysis was used to test the effect of the basic dimensions on customer satisfaction. The findings revealed that Servqual model (Basic Dimensions) impact satisfaction to customer although at different levels. The findings indicated that empathy dimension has the most significant impact on customer satisfaction while responsiveness was ranked last in terms of impacting satisfaction to hotel customers in Karak, Jordan. Markovic and Jankovic (2013) conducted a study on exploring the relationship between service quality and customer satisfaction in Croatian Hotel Industry. The main objective was to determine the impact of perceived service quality dimensions on customer satisfaction in the hotel industry in Croatia.

Self administered questionnaire was utilized. Descriptive analysis, factor analysis, reliability analysis, correlation analysis and multiple regression analysis were adopted for the study. The findings show that reliability, accessibility and tangibles had a significant positive effect on overall customer satisfaction while empathy and competence of staff positively influence hotel quest satisfaction, but were statistically insignificant. The findings also show that hotel service quality was indeed a significant predictor of customer satisfaction. This implies that improving hotel service quality results with higher satisfaction levels of hotel quest. Yilmaz (2009) conducted a study on measurement of service quality in the hotel industry, in Cappadocia. The main objective of his study was to measure hotel's service quality performance from the customer perspective.

Performance only measurement scale (Servperf) was used.234 copies f questionnaire were administered among customers of three, four, and five star hotels in Cappadocia. The findings were as follows (1) Servperf is a reliable and valid tool in measuring service quality in the hotel Industry in Cappadocia. (2)Hotel customers were expecting more improved services from the hotel in all service quality dimensions.(3)The study also revealed that Empathy is the most important dimension in predicting hotel customers' overall service quality evaluation (4) Hotels customers have the lowest perception scores on Tangibles Dimension. Mukhles (2013) conducted a study on Service Quality and its impact on Tourist satisfaction in Jordan. The main objective of the study was to access tourist perception towards quality services provided at Petra, Jordan historical sites and also to measure tourist satisfaction. However, 180 usable copies of questionnaire were utilized. Multiple regression analysis was utilized to determine the impact and also the relationship between service quality and tourist satisfaction. The findings revealed that service quality directly impact positively to tourist satisfaction. Also, that service quality plays an important role in tourism by increasing the level of tourist satisfaction in Jordan.

Omanukwue (2014) conducted a study on customer perception of service quality in Boutique Hotel Le Six Paris. The study examined customer's perceptions of service quality in a partisan Boutique hotel. 151 customers who have been visiting the hotel were sampled. The finding revealed that overall service quality was highly rated by the customers. Respondents were highly satisfied with the hotel. The findings also revealed that physical quality (tangibles) was most distinguished by the customers while product quality dimension was poorly perceived by the customers. Umesh (2014) investigated the relationship between service quality and customer satisfaction in Sri Lankan Hotel Industry. Descriptive research design was adopted. Copies of questionnaire were distributed. T-test statistical tool was used to test the formulated hypothesis. Factor analysis was also used using Smart PLS. The findings of the study revealed that direct relationship exist between service quality and customer satisfaction.

Assurance (1st) and tangibles (2nd) was found to have played a major role in creating serenity and contentment among customers while Reliability was the last since the hoteliers did not accurately verify the reservations requests. Kemboi, Biowott and Tarus (2014) conducted a study on service quality as a catalyst for customer satisfaction of small and medium sized enterprises (SMES) in Kitale Municipality, Kenya. The study aimed at investigating the effect of service quality on customer satisfaction in Kitale town. Descriptive statistics involving frequencies, percentages, means and modes was used to analyze data. Multiple Regression model was used to test the formulated hypothesis. The population size was 489 SMES while 146 sample size was selected using Taro Yamane (1973) formula. The findings showed that the provision of quality service is significantly related to customer satisfaction in SMES in Kitale. Also that service quality highly affects customer satisfaction positively. Ngugen, Nguyen, Phan and Yoshiki (2015) conducted a study on service quality and customer satisfaction: A study of hotels in Vietnam.

The main objective of this study is to empirically examine the relationship between service quality and customer satisfaction in Vietnam hotels. SERVQUAL Model was adopted. Data was collected from 434 guests of 33 star hotels in Vietnam. The finding shows that empathy, responsiveness, assurance, was statistically significant in impacting satisfaction to hotel customers. The findings indicated that empathy was the most significant dimension in impacting customer satisfaction followed by assurance and responsiveness while tangibility was found to have the least significance in impacting customer satisfaction. The study also concurred that service quality played a major role as a driver for higher customer satisfaction in hotels in Vietnam.

Nasiru, Okunola and Yina (2013) conducted a study to evaluate service quality delivery and customers' satisfaction in some selected hotels in Ikeja, Lagos State. They studied 10 out of 27 registered hotels in Ikeja. A structured questionnaire was used to collect necessary data. 58 copies out of 100 copies of questionnaire distributed were returned for analysis. The findings revealed that customers' perceived service quality in the hotels studied was below average. Also that the hotels were not giving their customers the needed satisfaction due to the fact that what hoteliers perceived as customers' service quality differed from the guests' expectations. Olu (2010) conducted a study on the relationship between service quality and customer satisfaction in the Telecommunication Industry: Evidence from Nigeria using MTN. A total of 230 respondents participated in the study. Descriptive statistics, Regression analysis and Pearson Product Moment Correlation were employed. The study revealed that service quality has significant positive effect on customer satisfaction and that positive relationship exists between service quality and customer satisfaction. The study revealed that assurance was the most significant predictor of customer satisfaction while reliability was the last in determining satisfaction among the customers.

METHODOLOGY

This study adopted a descriptive research design. The population of this study comprises the lodging guests of the selected hotels in Anambra State of Nigeria. The researcher utilized a simple random sampling technique and selected 8 hotels for the study. The lodging guests' population size was determined within the specific time frame of the study. However, the population size of eight selected hotels' average weekly lodging guests are as follows: Marble Arch:105, Crescent Spring:126, De Geogold:161, Suncity Exclusive:140, Queen Suites:112, Parktonia:168, Choice Hotel: 98, De Olde English: 147; totaling:1057 (Source: Guests Lodging Status Records, 2016). Therefore the population size of the study is 1057.

Taro Yamane (1973) formula: Thus

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{1057}{1 + 1057(0.05)^2}$$

$$n = 290; \text{ sample size} = 290$$

Therefore, the sample size of 290 (lodging guests) of the selected hotels was adopted as the sample size for the study. Pertinently, the researcher used proportionate sampling technique and determined the sample size of each of the selected hotels' lodging guests. This is in line so that every selected hotel's lodging guests be represented in the sample in proportion to its population size (Nwabuokei,1986). Thus, a proportionality sampling technique formula by Adogbo and Ojo (2003) was adopted; thus:

$Q = A / N \times n$

Where Q is the sample size for each hotel's lodging guests, A is the population size for each hotel's lodging guests, N is total population size of lodging guests of the 8 selected hotels, while n is total sample size. Thus;

Marble Arch Hotel:	105/1057 X 290 = 29
Crescent Spring Hotel:	126/1057 X 290 = 35
De Geogold Hotel:	161/1057 X 290 = 44
Suncity Exclusive Hotel:	140/1057 X 290 = 38
Queen Suite Hotel:	112/1057 X 290 = 31
Parktonia Hotel:	168/1057 X 290 = 46
Choice Hotel:	98/1057 X 290 = 27
De Olde English:	147/1057 X 290 = 40
Total	290

Based on the individual hotel's lodging guests' sample size as depicted above, copies of questionnaire were given to each of the lodging guests at the front desk by the receptionists. Primary data source was utilized in the course of collecting data for this study. The instrument used in this study for data collection is questionnaire. The validity of the instrument for this study was sought through content and construct validity. However, the instrument for this study was validated by four research experts. The reliability of the instrument for this study was established through a trial study. The researcher conducted a pilot trial study through test retest method. The Cronbach alpha result averaged 0.960 proved the consistency of the instrument used in this study. The researcher distributed 290 copies of the questionnaire to the lodging guests of the 8 selected hotels in Awka, Anambra State. The guests were contacted by leaving the questionnaire at the front desk, which were given to guests and also returned through the hotel receptionists. Multiple Linear Regression was utilized for the study expressed using Ordinary Least Square statistical technique which was computed using E-view Version 8 software package.

Model Specification and Operationalization of Dependent and Independent Variables

$$Y = \alpha_0 + \beta_1 Rel + \beta_2 Ass + \beta_3 Tan + \beta_4 Emp + \beta_5 Res + \mu$$

Data Presentation, Analyses and Discussion of Findings

Table 4.2.1: Multiple Regression Analysis Result

Dependent Variable: CS (Y)
Method: Least Squares
Date: 08/26/16 Time: 16:46
Sample: 0001 – 0232
Included observations: 232

Variable	Coefficient	Std. Error	z-Statistic	Prob.
C	0.753239	0.405862	1.855898	0.0648
REL (X1)	0.056704	0.105503	0.537465	0.5915
ASS (X2)	0.025187	0.059869	0.420696	0.6744
TAN (X3)	0.022948	0.105080	0.218389	0.8273
EMP (X4)	0.007272	0.061888	0.117502	0.9066
RES (X5)	0.961974	0.023367	41.16775	0.0000

R-squared	0.912408	Mean dependent var	12.75862
Adjusted R-squared	0.910470	S.D. dependent var	2.262515
S.E. of regression	0.676981	Akaike info criterion	2.083174
Sum squared resid	103.5765	Schwarz criterion	2.172314
Log likelihood	235.6482	Hannan-Quinn criter.	2.119124
F-statistic	470.8265	Durbin-Watson stat	1.767675
Prob(F-statistic)	0.000000		

Source: E-view output.

DISCUSSION OF RESULTS

Based on research objective one; to determine the effect of reliability on customer satisfaction in the hotel industry coupled with its corresponding research question one and tested hypothesis no:1; the multiple regression result as shown on table 4.2.1, revealed that the p-value is 0.5915 which is greater than 0.05 the stipulated significant level; thus showing no statistical significant which is in agreement with the null hypothesis. Also, since the computed z-value result of 0.5375 is less than the critical z-value of 1.960; therefore Ho_1 is accepted and Ha_1 rejected. Therefore the conclusion drawn from the result is that reliability has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria.

This implies that reliability dimension has not significantly effected satisfaction to hotel customers in Anambra State of Nigeria. This in converse with the findings of the following researchers (Negi, 2009; Mohsin and Lockyer, 2010) who found that reliability dimension is the most significant dimension which has the highest satisfaction effect on customers. Based on research objective two; to determine the effect of assurance on customer satisfaction in the hotel industry in Anambra State of Nigeria coupled with its corresponding research question two and tested hypothesis no: 2; the multiple regression result as shown on table 4.2.1, revealed that the p-value is 0.6744 which is greater than 0.05 the stipulated significant level; thus showing no statistical significant which is in agreement with the null hypothesis. Also, since the computed z-value result of 0.420696 is less than the critical z-value of 1.960; therefore Ho_2 is accepted and Ha_2 rejected.

Therefore the conclusion drawn from the result is that assurance has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria. This implies that assurance dimension has not significantly effected satisfaction to hotel customers in Anambra State of Nigeria. This in line with Turgay (2014) and in converse with the findings of the following researchers (Douglas and Connor, 2003;

Yasir et al., 2012) who found that assurance dimension is the most significant dimension which has the highest satisfaction effect on customers.

Moreso, in line with research objective three; to determine the effect of tangibility on customer satisfaction in the hotel industry in Anambra State of Nigeria coupled with its corresponding research question three and tested hypothesis no: 3; the multiple regression result as shown on table 4.2.1, revealed that the p-value is 0.8273 which is greater than 0.05 the stipulated significant level; thus showing no statistical significant which is in agreement with the null hypothesis. Also, since the computed z-value result of 0.2184 is less than the critical z-value of 1.960; therefore Ho_3 is accepted and Ha_3 rejected.

Therefore the conclusion drawn from the result is that tangibility has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria. This implies that tangibility dimension has not significantly effected satisfaction to hotel customers in Anambra State of Nigeria. This in line with (Yilmaz, 2014; Kofi et al., 2013) and in converse with the findings of the following researchers (Oliver, 1997; Rao and Sahu, 2013; Mbuthia et al., 2013; Mohsin and Lockyer, 2010 and Akbaba, 2006) who found that tangibility dimension is the most significant dimension which has the highest satisfaction effect on customers. Nevertheless, based on the research objective four; to determine the effect of empathy on customer satisfaction in the hotel industry in Anambra State of Nigeria coupled with its corresponding research question four and tested hypothesis no: 4; the multiple regression result as shown on table 4.2.1, revealed that the p-value is 0.9066 which is greater than 0.05 the stipulated significant level; thus showing no statistical significant which is in agreement with the null hypothesis. Also, since the computed z-value result of 0.1175 is less than the critical z-value of 1.960; therefore Ho_4 is accepted and Ha_4 rejected. Therefore the conclusion drawn from the result is that empathy has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria.

This implies that empathy dimension has not significantly effected satisfaction to hotel customers in Anambra State of Nigeria. This in line with (Rao and Sahu, 2013 and Yasir et al., 2012) and in converse with the findings of the following researchers (Turgay, 2014 and Yilmaz, 2009) who found that empathy dimension is the most significant dimension which has the highest satisfaction effect on hotel customers.

Based on research objective five; to determine the effect of responsiveness on customer satisfaction in the hotel industry in Anambra State of Nigeria coupled with its corresponding research question five and tested hypothesis no: 5; the multiple regression analysis result as shown on table 4.2.1, revealed that the p-value is 0.0000 which is less than 0.05 the stipulated significant level; thus indicating statistical significant, which is not in agreement with the null hypothesis. Also, since the computed z-value result of 41.1678 is greater than the critical z-value of 1.960; therefore Ho_5 is rejected and Ha_5 accepted. Therefore the conclusion drawn from the result is that responsiveness has statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria. This implies that responsiveness dimension has significantly effected satisfaction to hotel customers in Anambra State of Nigeria. This in line with (Kamani, 2014; Parasuraman et al., 1988, Kofi et al., 2013) who found that responsiveness dimension is the most significant dimension which has the highest satisfaction effect on hotel customers.

SUMMARY OF FINDINGS

Based on the result of analyses and hypotheses tested, the following findings were made;

- that reliability has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria. This implies that reliability aspect of service quality has not significantly effected satisfaction to hotel customers.
- that assurance has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria. This

implies that assurance dimension of service quality has not significantly effected satisfaction to hotel customers.

- that tangibility has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria. This implies that tangible aspect of service quality has not significantly effected satisfaction to hotel customers.
- that empathy has no statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria. This implies that empathy attribute of service quality has not significantly effected satisfaction to hotel customers.
- that responsiveness has statistically significant effect on customer satisfaction in the hotel industry in Anambra State of Nigeria. This implies that responsiveness attributes of service quality has significantly effected satisfaction to hotel customers in the hotel industry in Anambra State of Nigeria.

CONCLUSION DRAWN FROM THE FINDINGS

Based on the findings, we conclude that SERVQUAL model is a useful tool in assessing service quality in the hotel industry in Anambra State of Nigeria. The responsiveness attribute of service quality is significantly instrumental in effecting customer satisfaction while reliability, assurance, tangibility and empathy have not significantly affected satisfaction to hotel customers in Anambra State of Nigeria. The study also concludes that responsiveness is the most important predictor of service quality and most significant determinant of customer satisfaction in the hotel industry in Anambra State of Nigeria. The study concludes therefore that urgent attention for improvement is needed amongst the reliability, assurance, tangibility, and empathy dimensions of service quality geared towards the restoration of customer satisfaction in the hotel industry in Anambra State of Nigeria.

RECOMMENDATIONS

Based on the findings and conclusion drawn from the findings, we make the following recommendations;

1. The institutionalization and operationalization of strategies geared towards improving on the reliability attributes of service quality should be the priority of hotel managers for improved customers' satisfaction.
2. The implementation and operationalization of customer-oriented services geared towards improving on the assurance dimension and restoration of customers' satisfaction should be the priority of hotels in order for them to remain in business.
3. Hoteliers should endeavour to improve on the tangible elements like equipment and decorations, neatness and cleanliness of employees and materials associated with service for enhanced customers' satisfaction.
4. Hotel managers should try to improve on empathy dimension by organizing in-house training program for hoteliers in order to improve on their friendly and courtesy style of dealing with their guests.
5. Hotel management should try to maintain high level of competitiveness by ensuring that responsiveness aspect of service quality is continually improved for sustained customers' satisfaction.

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Strategies for Financing Entrepreneurship in Nigeria

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Pp 205-225

Abstract

The contribution of entrepreneurship in, the economic development cannot be over-emphasized nor should be underestimated for any reason as this is already a known fact that it plays a prominent role as a change agent and as a prime mover of economy. In developed, developing or underdeveloped economy, the essence of entrepreneurship is highly significant as this exist in both private and public sectors of any economy. The roles of entrepreneurship are worldly acclaimed but yet as laudable as these roles there can be no significant success by any entrepreneur except with availability of finance. Nevertheless, mere availability of finance also cannot guarantee the success of an enterprise but there must be in place appropriate financial strategies for the funding/investment needs of an enterprise However, little has been said when it comes to strategies needed to access various sources of finance. Using secondary data, this paper therefore establishes appropriate strategies to obtain funds from sources of finance by both small and medium enterprises.

Keywords: *Enterprises, Entrepreneurship Finance, Strategies, Success*

INTRODUCTION

Generation of business idea abounds in Nigeria and with present level of poverty, ideal things should have been embracement of entrepreneurship even if at micro level by all and sundry but one of the major hindrances is the availability of finance. Existing business' growth or otherwise also depends by and large on funding. This is because, the implementation of new innovation (new method; new processes; new materials; new markets; new products or new organizational structures) cannot be without research which thus requires adequate funding.

The production of goods and services in a most efficient manner has continued to be the only viable and reliable option for growth, development, and survival of world economies. Despite the importance of production, it is impossible to attain a high productive level without a well- developed industrial sector. Industries normally operate either on a large or small scab both in the public and private sector. Akinola and IORDOO, (2013) In Nigeria for example, the private enterprises cover a wide range of different types of industries as distinguished by various criteria such as size, sector, ownership structure, employment and technology. Without finance, the oil wheel of economy which acquires the service of skill labour, modem technology, and machinery for creation of value to meet the perceived needs for profit, makes the pursuit of economic advancement a mirage. The law of scarcity is profound when it comes to finance; hence, the need to formulate appropriate strategy for its acquisition is significant.

There is no doubt the fact that Nigeria is blessed with abundant natural resources and of which land, one of the natural resources still remain uncultivated. The majority of Nigerian youth who are supposed to have been drafted into this sector (agricultural) of the Nigerian economy by the government do not show positive interest in it Among major reason responsible for this is due to lack of modem machinery, a by-product of perceived Jack of finance for their acquisition Meanwhile, it will be wrong to conclude that the country lack financial capability of providing these modern farm machineries. Lack of capital for execution of projects/business ventures could be traced to industrial era of 18th century when inventors attempted to produce or turn their invention into products in commercial quantities but which lack of finance hampered Chinoye, (2008).

He further observed this to be the beginning of separation of users of capital from providers of capital. Also, when Ozor, (2007) said "deregulation is expected to release and give vent to the entrepreneurial spirit, thus assisting in the creation of value and growth the competition" and that is exactly what eventually played out as people hitherto in pail in employment or with funds seized the opportunities to venture into the production of goods. The act of employing various resources for the production of goods and services is termed enterprises.

In broad term, enterprise is all about idea which is translated into a planned action and implemented. It is any identifiable idea that is satisfactorily implemented. Kilby, (1971) in Ogundele and Oghojafor, (2004) defined an entrepreneur as the man (woman) who perceive business opportunities and lake advantage of scarce resources to use them, while Chinoye, (2008) claimed that Bagby, (1988) to have seen an entrepreneur as "a person that utilizes the opportunity of instability, turbulence, lack, to produce something new or modifies an existing one for profit motive. Generally, the saying that necessity is the mother of invention is most instructive in entrepreneurship. The emergency of entrepreneurship is therefore borne out of identified opportunities within an environment which when properly harnessed with adequate commitment of resources (human, finance and material) will not only create avenue to meet societal needs but will also provide returns for entrepreneurial.

However, Enikanselu, (2008) is of opinion that entrepreneurship as people who have ability to see and advance business opportunity, gather the necessary resources to take advantage of them and to initiate appropriate action to ensure success. Entrepreneurs are 'ice breaker', they are visions, and they see opportunities in glaring challenges.

Enterprise is therefore a process of recognizing a peculiar need within an environment or development of products which remain unknowing but which availability will awaken consumer to the derivable utility.

But efforts at various levels to redress this issue of non availability of finance is on-going while the real impediment to finance in Nigeria today could be said to be "how do I benefit from various available sources of business finance"? These facts have not been given adequate attention by various studies in entrepreneurial financing. Earlier studies consecrate on the issue relating to role of entrepreneurship to economic growth: Ogbo and Agu, (2012) Ogechukwu and Lalinwo (2010); the determinants of successful entrepreneurship: Bosma et al (2000); financial problems of entrepreneurship: Ekpenyoung and Nyong, (1992). Therefore, this study reveals strategies into entrepreneur financing and funding.

Against this backdrop, this paper tends to examine various strategies available to entrepreneurs in sourcing for finance in Nigeria. it is therefore divided into five major parts. The first part is introduction the second focuses on the evolution of entrepreneurship; the third discusses various sources of finance; the fourth part explains strategies for obtaining finance; while the last part is summary, conclusion and suggestions.

The Evolution and Development of Entrepreneurship

Enterprises comprehend the concept of enterprise and this entails the process of applying both human and material resources into the production of goods and services. The goal often is to make profit but enterprise stands for other goals than solely for profit ant if enterprises stand for other goal outside profit then such was not contemplated by father of entrepreneur 'Richard Cantillion' and could not (in the strict sense of it) be classified as an enterprise. The word 'entrepreneur' was said to have its origin in French word entrepredre with English meaning "a person who voluntarily heads a military expeditions. Ohanemu, (2006) supported the fact that the term 'entrepreneur' was first used in France in the eighteen century by an Irishman called Richard Cantillion. Cantillion used this term to describe someone who buys goods with hope to sell at a price dictated by the market. Chinoye, (2008) identified seven stages which entrepreneurship has passed through, namely:

(i) Earliest Period (Pre-Mid Age): which he claimed to be period of acting as a go-between and the actor of this period is named Marco Polo. He attempted to establish a trade route to the Far East.

(ii) Middle Ages: This was during European history from the fall of Roman Empire (476 AD) to the late 15th Century. Entrepreneur was described as actor and a person that manage large production. It will be inappropriate today to view an entrepreneur from this narrow perspective as entrepreneurship goes beyond producing in large, it could be expressed at any level.

(iii) 17th Century: According to Chinoye, (2008) John Law, a notable French businessman who establish the Royal Book initiated application of entrepreneurial concept to business for profit was during this period that Richard Cantillion actually adopted this word to describe a risk bearer.

(iv) 18th Century: This happens to be the industrial era when notable investors came on the screen. Then, investors such as Thomas Edison, Whitney and others attempted to produce or turn their inventions into products in commercial quantities. This stage of entrepreneurship actually signals the beginning of sourcing for funding from outside the entrepreneur's purse.

(v) 20th Century: This was that of innovation scientific approaches were brought into entrepreneurship. Schumpeter was chimed to be one of those that introduce the concept of innovation to entrepreneurship.

(vi) 21st Century: During this period there are many dimensions to entrepreneurship. In this there are economist's perspective, the psychologist's perspective and businessman's perspective. In nutshell, economist see entrepreneur as someone who combines factors of production for profit, psychologist on the other hand, sees an entrepreneur as someone who maximizes profit from all business undertaken.

In Nigeria, entrepreneurships spirit is as old as to the period of dispersed occupation of land. Enterprises could be traced to the beginning of exchange process. However, entrepreneurship was taken to another level with the promulgation of indigenization decree in 1978 and thus created many business opportunities fur Nigerians as areas previously controlled by foreigners were then solely reserved for Nigerians to explore. This was when both tiers of governments came into economic business as some companies previously owned by foreigners were nationalized and run by government. There were direct establishment of business ventures by various governments (Federal and State Governments). All these brought out the Nigerian's enterprising spirit Enikanselu, (2008) buttress this further that government privatization policy of the early 80s expanded the opportunity for entrepreneurships to strive in Nigeria which is still on-going. However, it is necessary to mention at this stage the skilled Nigerian break into enterprises at the rate of entrepreneurship & development is not matched with financial environment suitable for sustainable hence the death of young and skilled Nigerian break into enterprises realm

There are four levels of entrepreneurships i.e. Micro, Small, Medium and Large Enterprises (MSMEs), the role of each appear different but often inter-locked, however, the MSMEs in Nigeria are found to be playing dominant roles in the economy. The Small-Scale industries especially are found to cover the entire range of economic activities and are very heterogeneous groups, Hallberg, (2011) and their major role in economic development is the establishment of an industrial foundation on which the industrial sector of any nation is built Adams, (2007). In fact, it was claimed by Sanusi, (2003) that 'in many of the newly industrialized nations, more than ninety-eight percent of all industrial enterprises belong to the SMEs sector and account for the bulk of labour force.

Various literatures aptly identified the contribution of entrepreneurship in term of contribution to the economic development of both developed and developed economies. Weller et al (1999) claimed that agricultural contributed about 32%, industry 41% while others contributed 27% to Nigeria Gross Domestic Product (GDP). It was also stated that Small and Medium Enterprises (SMEs) constitute than 95% of establishments in the organized manufacturing sector Udechukwu, (2003) Entrepreneurship has been source of economic growth and balance national development couple with job creation in Nigeria, this is so as entrepreneurs creates new businesses, new business in turn create job, competition and lend hand to the development of technological changes toward enhancement of productivity.

Oteh, (2011) in the Global Entrepreneurship Monitor 2009, a research program aimed at assessing the national level of entrepreneurial activity in selected countries, conducted an entrepreneurship and economic growth study on 37 countries. According to the study, the economic growth of a country is directly correlated with is level of entrepreneurial activity. The study reveals that, there is a high correlation between economic growth and entrepreneurial activity in industrialized countries.

The market driven economy is built on effective entrepreneurship as government efforts in such economy is expected to be directed toward creating conducive environments infrastructure, security of life and property, virile educational system and functional health care system Also, public institutions cannot be expected to singly drive economic and political space of a country and where many players are found to lithe public institutions then the country will not be able to harness her full potentials.

Holistically, the importance of entrepreneurship can be appraised as following:

• Creation of value and employment

Either in developed or developing economies, the importance of entrepreneurship has long been realized. Entrepreneurs do not only create jobs and value by identifying new opportunities but also add value to the existing businesses.

• Poverty alleviation

Entrepreneurship is recognized by all to possess great potentials for fighting poverty, accelerate economic development and serve as a knowledge-driver for all and sundry.

FINANCING ENTREPRENEURSHIP IN NIGERIA

It is important to ask this cogent question as it relates to an entrepreneur. Where does an entrepreneur go to obtain the needed finance?

The source of finance can be categorized into three distinct classifications, namely, short medium and long term Olowe, (1997) while according to Enikanselu, (2008), source of finance can be classified into two, that is short and long term.

In actual sense, what a business requires is finance but not the class of finance. However, appreciating the class of needs is as crucial as the need itself knowing the class will go a long a way to ease the accessibility of needed finance. The source could also be viewed by nomenclature of the provider e.g. Financial Institutions, Financial Institution and government support agencies /institutions. In Nigeria, both classifications abound and so also the instruments designed in all the classifications.

There are arrays of traditional and technical specialized sources off finance in Nigeria. The most potent is the entrepreneur personal savings. It is most often found to be the take-off (initial) capital. This source is largely found to be inadequate for promotion of expansive enterprise to meet those needs.

This paper will prefer to analyse these sources without technical reference to either short or long term especially at this stage. These sources are as follows:

Trade Credit

Suppliers could be a veritable source of finance through granting of short term delay payment of supplies. It is the practice of buying goods now and paying for them at a later date Enikanselu, (2008). This is a cheap form of finance as it attracts no conditionality than supplier reposing confidence.

Customers/Clients Advance Payment

At times, the supply of finance could be from customers pending production and supply of goods to the customers' stores. In fact, this could be of great assistance in financing working capital need of entrepreneurs, free of cost Wade and Anarson, (2001) captured the importance of this when they submitted that 'leveraging customers advance payments…….. ahead of bank funds to survive the early stages, and manage to get to point where they can raise it (funds) externally" is a crucial and effortless means of obtaining needed finance hence advance payments by various clients could be a crucial source of finance but this also depends on the market structure where the entrepreneur operates.

Overdraft

This is a special arrangement between an entrepreneur and his or her bankers to overdraw his/her demand (current) account. Under this arrangement, the account can be overdrawn at any time during the period of the facility but must revert to credit position on or before the end of the facility period. It is easier to obtain and cost friendly then loan to the entrepreneur as interest is only payable on actual amount with which the account is overdrawn and for the very number of days at with the account stands overdrawn. As good as this, yet all tenets of lending will be observed before the drawdown by the entrepreneur.

Bankers Acceptance

When a banker is not willing to grant direct short term credit facility but consider the entrepreneur lending proposition viable, they could help facilitating discounting of accepted bill of exchange in money market. The bill will arise in the course of normal trading activities with the entrepreneur's customer who had taken possession of goods for payment to be effected at a later date. The entrepreneur draw a bill on the customer and after acceptance by the customer, the entrepreneur can then approach the banker for immediate cash assistance either directly from the banker or from other source in money market using the bill as collateral It is not just the bill as collateral but the bill becomes first source of the credit facilities.

Bank Loan

This is a term credit facility granted to an entrepreneur by his/her bankers to finance a specific need of a business and with definite repayment programme which could runs for over twelve months. Generally, bankers will want to measure all loans/advances propositions with canon of good lending.

Hire Purchase

When an equipment such as heavy machinery, tractor or other similar items are needed for production activities such that a banker is not comfortable to finance such equipments can be procured through hire purchase agreement. The vendor sells and delivers the machine for entrepreneur's use for installment payments. The ownership however remains with the vendor until last installment is effected but actual possess ion of the equipment is tint of hirer. This source is costly than some other sources but could be most appropriate for contingent of time.

Factoring of Debtors

This is an arrangement made by an entrepreneur with a firm (factor) to buy over the book debt of the enterprise for commission The factor will out rightly pay for entrepreneur say 95% (or certain percentage as may be agreed) of the debt It could be arranged in such a way as for the factor or make immediate payment of 70% of the book debt and 25% when the debt is filly recouped from various debtors of the entrepreneurs. However, the mode of purchase will be mutually agreed by the parties. This arrangement may be with recourse, and this is to say tint the entrepreneur will make good any unrecouped below agreed percentage while without recourse indicate that the factor bears fully the consequence of default of any of the debtors in the assigned book debt.

Leasing

This is more or less an agreement to rent an equipment or item by the entrepreneur. "It is a contract between owner of an asset (lessor) and the user of the asset (lessee) granting the user or lessee the exclusive right to the asset, for an agreed period in return for the payment of rent" Olowe, 1998. It was also defined by Mustapha and Fabunmi (1990) as an arrangement whereby the lessor convey to the lessee, in return of rent, the right to use an asset for an agreed period of time. There are two types of leasing: Finance leasing where it involves a medium term period for right of usage and the contract is not cancellable and operating lease which only exist for short period of the asset's life span and is cancellable.

The rent will be for a fixed period of time (time that almost cover the whole of useful life span of the item) after which the equipment revert back to the lessor (if financial leasing), it is also possible to have a clause of first right of recourse for the lessee to be given preference to buy the asset at a nominal price. This is usually embraced by entrepreneur as a means of acquiring right to use of asset without direct commitment of finds for its acquisition. In some instances, it could be that the enterprise has acquired the assets but find a leasing company to buy same and lease back the asset to the firm. Whichever way, it provides finance for the smooth operation of the firm.

Venture Capital

An important source of financing which could be a means for entrepreneur to obtain take off "seed stage of venture" Amit, (1999) finds through equity contribution of other firms or high net worth individuals to. Indeed, venture capital is usually defined as the provision of equity and debt financing to young, private held firms. This could be Venture capital proper or inform of angel investor. Venture capital is the institutional investors that commit funds into equity of an enterprise. The venture capitalist will only want to play where their efficiency in selecting, monitoring investment and providing value-added services place them over and above other investors.

Rin and Penas, (2009) explained capital venture as a specialized form of intermediation whose success in supporting innovative companies through provision of finance and monitoring and advice. This source is not only just to provide finance but it includes involvement of investors in direct affairs of the enterprises and this makes available the expertise to bear on operational abilities of the enterprise as well. Often, the capital brought in is not repaid but off load through capital market (public offer) when institutional investor feel moving elsewhere or at the expiration of the venture agreement. Angel investors are investors (individuals) who use their own finds to provide equity finance to new venture. Denis while citing Feen et al (1997) said that angel investors are typically invest "seed capital", that is capital required by the firm in at a very early stage of their development: they provide a bridging finance until the company is in a position to receive bank facilities or venture capital financing.

Debenture

This is source for long term loan directly from the outside the financial institutions. It is a mean where a large scaled enterprise with high credit rating offers debts for sale to the public. Such debt when contacted is acknowledged under the enterprises zeal. At the times such debts could be convertible to equity at maturity or settled — off (discharge by redemption).

Preference Share

This is a class of shareholders that are partly regarded as partial (but not) owner of the enterprise as they have no voting right in the affairs of the enterprise. Their income is fixed as agreed from on-set unlike the real owners.

Retained Earning

This is pool of undistributed profits earned over the years and plugged back to support the capital base of the enterprise. It is most risk-free and stress free source of finance especially for a profitable enterprise.

Owners' Equity

This could be from private savings of the entrepreneur and supplemented with borrowings from friends, relatives or Cooperative Society the entrepreneur belongs for initial take. When it is as stated then the available funds will be inadequate to execute any reasonable entrepreneur's innovation and generated business idea However, when entrepreneur (like in the case of blue- chip enterprises) could approach capital market for equity the coast is clear to obtain fends as much as external environment dictate.

FINANCING/FUNDING STRATEGIES

As with varying definitions so also is financial and tinting strategies appropriate in entrepreneurship. The strategies that could provide effective tinting depend largely on size, sector and ownership structure. Also, other extravaneous factors have to do with the enterprises intend to do with the funding. Questions as find to embark on capital project, packaging of product for exportation will definitely require distinctive funding strategies. The strategies for takeoff funding will not be appropriate for working capital needs of an enterprise.

Decisions about expanding, hiring, buying new equipment and new inventories all depend upon expectations about the future. Modem economic theory assumes that firms (and their owners) are rational agents who incorporate expectations of the future into decisions made in the present In this framework, a business owner's plans to hire, make capital expenditures, or buy inventories, are driven by expectations regarding future sales of the firm, with more positive outlooks leading to greater investment and expansion in the current period. Firms will not invest in equipment that is not expected to "pay for itself (just as they will not hire workers who are not expected to "earn their pay" without added value to the firm).

The mere knowledge of various ways to obtain finance is not sufficient. There must be appropriate strategy to access the needed finance. Most enterprises could not key in to various source of finance in Nigeria as they do not understand how and what it requires obtaining the funding to promote their business ideas.

This paper explores as much as possible various financial strategies available for entrepreneurship in Nigeria to take advantage of business opportunities, to implement a new innovation or to improve existing process. Obtaining finance at appropriate time is as important as funding itself and this requires planning.

REASONS FOR FINANCING/FUNDING STRATEGIES

• The innovative function of entrepreneurship will remain a dream without adequate funding to bring it into realities. Idea generated needs to be implemented and implementations require finance hence the need for all entrepreneurs to know where to go to for required finance.
• Sourcing for finance at inappropriate time will expose business to failure far lack of finance, obtaining finance at high cost, loss of business opportunity etc
• Working within strategies makes it easy to obtain funds from outside the business as apparatus for accessibility would have been in place.
Entrepreneurs should therefore among others embrace the following strategies that will make obtaining finance stress free:

(a) Constructive Cash Budget

To determine short fall that may arise in working capital ahead of time require capital budget otherwise called cash flows statement. This will assist in determining exact amount of funds that will be require to financial inventories and others short term needs of the enterprise. It will also avail the entrepreneur to have foresight as to when exactly will the need arise, the knowledge which will assist to take proactive measures; sourcing for funds ahead of the need.

(b) Choosing Bank for Relationship

This may look trivial but the importance of making a right choice can only be appreciated when there is need for credit facilities from the chosen bank. There should be discreet examination of banks, their products, delivery time, their core facilities areas i.e. Union Bank is the best bank in Nigeria for agricultural facilities. Banking relationship should be established (from the point of an entrepreneur) on the basis of services that suit the business interest of the enterprise.

(c) Possession of Best Financial Leverage

For an existing business, it is very crucial to get the issue of capital around owner's equity and retained earnings. Building capital structure around these two will foster negotiating opportunity when need for external funds arises. Even a new business, the entrepreneur will do well by either have an angel investor to inject equity funds/finance to stabilize the venture early stage operations. Entrepreneur will do well to appreciate need to devote attention to the capital mix of the enterprise (Feear, 1985).

(d) Technical Knowledge of Specialized Finance Institutions/Agencies

It is very important for entrepreneurs to keep abreast of various financial services of various specialized institutions as this will create consciousness of funding opportunities. It is a wrong approach to wait until needs arises before investigating what are the requirements of these institutions. It suffices to mention some of these specialized institutions. They include;

1. Bank of Industries (BOI): for various types of credit. be it short, medium or long term financing wide range of enterprises' financing needs.

2. The Nigerian Export-Import Bank (NEXIM) for enterprises into international trades.
3. Bankers' Scheme known as' The Small and Medium Industries Equity Investment Scheme (SMIEIs) this is appropriate for Capital venture. Ubom, (2002) specifically mentioned Agro Allied, Information Technology and Telecommunication, Manufacturing, Educational establishments, Services, Tourism and Leisure, Solid minerals, Construction as area of interest for the bankers in this scheme.

(k) Transparent Financial Records

It is very essential for entrepreneurs especially for the Micro, Small and to some extent the Medium Scale enterprises to ensure their accounting transactions are kept on double entry principle. The account if audited, will provide proof of accountability within the enterprise and moreso, prospective creditors will be able to access the firm's need and capability to service such when granted. It will also enhance credibility of the firm to the outside word.

(f) Membership of Trade Association

This is essential as the entrepreneur will be able to leverage on this in having access to current information both those that relate to operations within the economy ant also those that relate a new financing opportunities. At limes, evidence of belonging to these associations could be very useful when approaching financial institution for facilities.

(g) Identification of Appropriate Sources and Choke of Finance

Dectogbe, (2000) in Ohanemu, (2006) enumerated six steps into making right choice of finance. In the real sense of it, every business need financial but the most appropriate strategy is to identify which of the sources is most ideal for present need e.g a need for funds to cover procurement of raw materials that will become finished goods within space of six weeks and turn to cash within eight weeks will not require bank loan but rather at most three months overdraft facility or a trade credit of same period.

Knowing which institution to approach for a specific need is very important as this will ease the time flame to obtain the funding. This also involve knowing the type of facility require fir the need i.e. not seeking for short term facilities when the funds is required for asset acquisition or capital project Some activities may ordinarily look befitting short term facilities but close scrutiny will reveal that it requires both short and medium term facilities.

(h) Business Plan

Although Ohanemu, (2006) quoted Stoner, (1985) to have describe business plan as current status, expected needs and projected results of the new business but the most appealing for this paper is the bankers reference of business plan as 'loan proposal'. This plan should present the entrepreneur's vision, how the vision will be executed, and operations of the venture. It is a pre requisite for any loan or facility application as this is what will do the talking for the appraisal of the proposal. In addition to the above, entrepreneurs that is involve in international trades will require robust approach to financing as those mentioned earlier may not be adequate or inappropriate for sourcing fund. An entrepreneur in import/export bus mess will therefore need to strategise around sources available for international trade, these sources are classified into three Mustapha and Fabunmi, (1990) identified these as; Bank Finance, Non-Bank Finance and Non-Financial Services by banks. Understanding the operations of these sources will assist entrepreneurs to fashion appropriate steps to benefit from these sources

In part, critical review of the following questions by entrepreneur will be of immense help in obtaining finds at the right time. These are

- How much to start the business with?
- What capital contribution can the entrepreneur make? Where to obtain the shortfall? Is it possible to find partner(s) that will buy into the vision of the enterprise?
- What assets are needed for acquisition? Can the assets be acquired through hire purchase or better still through financial leasing?
- What are the necessary maintenance costs?
- Can raw materials be obtained from suppliers on credit without losing much of discount facility?
- Which sources of have best contract term; Cost of funds; any moratorium? Is repayment terms liberal or stringent on draw-down conditionality?
- How much of the needed funds should be for working capital and how much will the enterprise's ability will not support for repayment within less than twelve months?

The Micro, Small and Medium enterprise will found the above useful in other to have access to funds for their innovation and business' financial needs. There is no known magic to make financial break-through than doing it right and doing it at right time.

SUMMARY AND CONCLUSION

Without adequate finding the best dream will fiddle away and innovations will have still-birth, finance is the grease that nurtures innovation to fruition It is an essential ingredient to business success hence this paper has therefore explain various means of obtaining needed funds as serve as eyes opener to entrepreneur to take advantage of less talked sources of finance, for short term funding it has been explained that most appropriate should be finds that repayment will be conducted with less than three butted and sixty five days, while capital projects should be financed by fund with maturity period over three years. This paper has also bring it to burner the opportunity of financing lease while early period equity funding should be through capital venture in the whit is available through the Small and Medium industries Equity Investment Scheme. The major contribution of this paper is the fact that it goes beyond identification of problems but suggest home grown strategies to redress this which if well embraced will not only be a welcome development for Nigerians entrepreneurs but also other developing economies of the world.

RECOMMENDATION

Entrepreneurs will find it most pleasant to access finance or funding for their enterprising activities if following could be observed:

a) Approach the Right Source: Knowing where to obtain finance is very crucial as approach to wrong source will only breed frustration and business failure

b) Maintenance of Proper Accounting Record: Not just to maintain accounting record but introduction of financial management into funding activities will go along way for judicious use of scarce fund and lay a solid ground to obtain finance ether at the money or capital markets. It will also lead to financial prudence which will tremendously in the enterprise's ability to plan and control funding/finance need

c) The entrepreneurs should stop shying away tom admission of angel investors. It is better to share business access with others that to wait until a laudable project dies.

d) Academicians should endeavour to make a follow up research on the effectiveness of the suggested strategies after a period of between two and three years of this study.

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